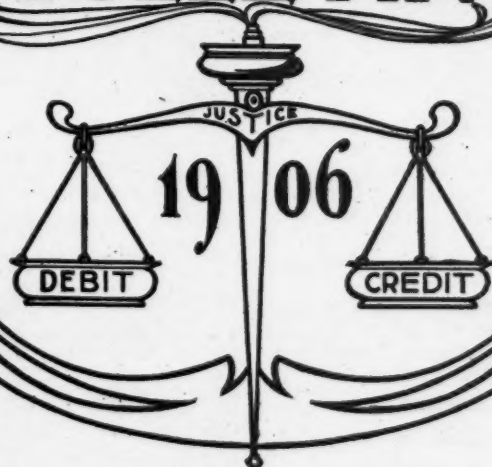


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of
CREDIT MEN**

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CHAS. E. MEEK, Secretary-Treasurer

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1906-1907

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BULLETIN

OF THE

NATIONAL ASSOCIATION OF CREDIT MEN.

PUBLISHED MONTHLY BY

CHAS. E. MEEK, SECRETARY-TREASURER,
41 Park Row, New York.

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**Proceedings of the Eleventh Annual Convention of
the National Association of Credit Men, held
at Hotel Belvedere, Baltimore, Md.,
June 13, 14, 15, 1906.**

WEDNESDAY, June 13, 1906.

The Convention was called to order at 11 o'clock A. M., June 13, by President O. G. Fessenden, of New York.

President Fessenden—By virtue of my office I declare the Eleventh Annual Convention of the National Association of Credit Men in session. The Divine Blessing upon our deliberations will be asked for by the Reverend Dr. Powell.

Rev. Dr. Arthur Chilton Powell—Almighty God, our gracious Father, we pray Thee to uphold and bless these Thy servants, gathered in Thy presence and in Thy name, to promote honesty and integrity and industry in this great land in which Thou hast given them place; do Thou, we beseech Thee, grant unto them Thy spirit, the spirit of brotherhood, the spirit of love, the spirit of self-forgetfulness, that in all their deliberations they may advise things wise and good for themselves, for the land, and for the world; watch over, we beseech Thee, all the interests which they represent; give peace in our time and prosperity in our day, and enable us, each in our place, according to our ability and opportunity, to show that we are the sons of the living God, and members one of another. Bless our President; bless our Congress assembled, bless the Governor of this State, and the Mayor of this City, and all in authority everywhere, that we, as a people, may be wisely and justly governed; that we may reverence those set in high place, looking up to them as Thine agents for the well-being of the world. And so guide and lead us, Heavenly Father, that, having done our duty faithfully here on earth, we may at last enter into the joy ordained for the people of God: all of which we ask in His name Who taught us when we pray to say:

Our Father, who art in Heaven, hallowed be Thy name, Thy kingdom come, Thy will be done, on earth as it is in Heaven; give us this day our daily bread, and forgive us our trespasses as we forgive those who trespass against us, and lead us not into temptation, but deliver us from evil, for Thine is the kingdom, and the power, and the glory. Amen.

The Lord bless you and keep you; the Lord make his face to shine upon, and be gracious upon you; the Lord lift up his countenance and give you peace both now and evermore. Amen.

President Fessenden—We are honored by the presence of the Chief Executive of the State of Maryland, and it gives me great pleasure to present to you His Excellency the Governor of Maryland. (Applause.)

Governor Edwin Warfield then spoke as follows:

ADDRESS OF GOVERNOR WARFIELD.

Gentlemen, Visitors, Members of the National Association of Credit Men:

I assure you that it gives me great pleasure to welcome you to the State of Maryland. You are going to have four or five welcomes in the way of addresses. I want to say that you are welcomed by every man, woman and child in the State of Maryland on this occasion, and I am speaking for them. (Applause.) The old hospitable greeting used to be, "If you come to Maryland, you will find the latch string on the out-

side of the door." Since I have been Governor I have changed that greeting, and whenever I welcome strangers to our State I tell them that they will find our doors wide open. (Applause.) Not only the doors of our homes but the doors of our hearts. (Applause.) That is the case to-day, gentlemen.

It is a great honor to extend a welcome to such a body of men. I know what you represent. I am a credit man myself. (Laughter and applause.) I am one of the original members of the Credit Men's Association of Baltimore City. (Applause.) You know, I attribute my election very largely to the good "rating" that the Credit Men of Baltimore City gave me. (Applause.) I remember during my canvass that I attended a banquet of your Association, and in talking I said I hoped, if elected Governor, that when I came out I would be rated AA A1—(laughter)—and there was a general laugh around the table, and some one remarked: "Well, Governor, this is a day when graft will not be tolerated." (Laughter and applause.) The rating that I wanted was an AA A1 rating in the estimation of the public as a man who had faithfully performed his duty.

I have frequently been taken by Southern people—because of some resemblance—for that gallant and patriotic soldier, Fitzhugh Lee. (Applause.) I have always considered it to be a great compliment, because Lee was an idol of the American people, and justly so. (Applause.) I attended a banquet with him upon one occasion, and he said, "Yes, it is true that Warfield resembles me, or I resemble Warfield. The fact of the business is that I look so much like him that whenever I go to Baltimore I cannot go up the streets with any pleasure, because Warfield's creditors are always annoying me." (Laughter and applause.) So you can understand my financial rating—(laughter)—from what my friend Lee said.

Now, I am not going to detain you long. I want to say this, however, that you will, on Thursday, visit the ancient capital of Maryland. Unfortunately for me, but fortunately for you, probably, I will not be there to receive you, because I had made an engagement with a class of young ladies who are going to graduate that afternoon, and I promised them that I would deliver the diplomas. You know how important it is to always keep engagements with ladies—especially with the pretty ladies, and with your better halves, if you have them. (Laughter.)

But you will find Annapolis a very interesting old city. It is the most unique capital in the Union. We have more of historic interest to show you there than you will find in any other city in the Union, and you will also see there the finest aggregation of educational buildings to be seen in the world. You will find the doors of the Capitol open. I want you to go into the old Senate Chamber and drink in some of the spirit of patriotism you will find there. We will have guides who will tell you all about what has happened in the Chamber and will point out the very spot where Washington resigned his commission as Commander-in-chief of the Revolutionary forces, and you will find the Chapel in which the remains of John Paul Jones will be finally deposited. You will see many things of interest, and I only wish that I could be with you. I am going to see you again—you can't get rid of me to-day. (Applause.) I left Cumberland at 2.20 last night, and came immediately here to this hotel. I know how important it is to keep your rating with the Credit Men, and I wasn't going to have Rosenthal and the President of this Association say that Warfield ever defaulted. (Laughter and applause.)

Now, you are to be addressed by the Mayor. He is the man that rules the roost here. He is the man who will extend to you the cour-

tesies of the city. I don't want the newspapers to take this, but there is a little secret I want to tell you which may be of benefit to you. I do not think it will be necessary for you to know it, but in this city we have police conditions different from those of any other city in the Union. While he is the Mayor of the City, I am the Chief of the Police Department. (Laughter.) Not only do I have the appointment of the Police Commissioner, but I have the appointment of the Committing Magistrate. Now you understand exactly the importance of the position I occupy. (Laughter and applause.) You can get anything you want from me, gentlemen. (Applause.) Don't hesitate to ask for it. If you see anything, or if you know of anything that you want and don't see it, just simply whisper into the ears of the Committee having charge of your entertainment and you will get it. We want you to carry pleasant recollections back home with you of Maryland and Maryland's hospitality. I know what the hospitality of many of the cities from which you hail is—I have enjoyed it—and we hope that you will enjoy your sojourn within the borders of old Maryland, our Maryland, your Maryland as long as you are here. I am delighted to have met you. (Great applause.)

President Fessenden—We are honored, too, by the presence of the Chief Magistrate of the city, and it gives me great pleasure to present to you His Honor, the Mayor of Baltimore. (Applause.)

Mayor E. Clay Timanus, of Baltimore, then welcomed the convention as follows:

ADDRESS OF MAYOR TIMANUS.

Mr. President and Members of the National Association of Credit Men:

In preparing a few words of welcome to this Association, I made it to the gentlemen alone. I am going to change it because the ladies are present, and we, in Baltimore and Maryland, I am sure, are ever gallant to the ladies, and always want them to be with us, and are glad that they are with us this morning. In making these few remarks, or reading them to you, it comes from my heart, and I am sure after you have spent a few days with us you will find all I have said to be true.

During my incumbency of the office of Mayor of this, to my mind, one of the fairest cities of the United States, it has been my most pleasing privilege on several occasions to say a word of welcome to members of your profession, but I think that this is the first occasion that Baltimore has been honored by a Convention of your National Association. To me, personally, it is a most decided honor to be permitted to extend a welcome to such an intelligent and important body of men and women. That you have selected Baltimore as your convention city for this year is a marked compliment to our citizens and a credit to our commerce. Man is a failure when he isolates himself from his fellow men. There is no such thing as a successful hermit, and so it is with large cities. A city that adopts the policy of non-intercourse soon becomes a village. Only by trade and intercourse with sister cities can a city hope to make its influence felt in the commercial world, and this influence must necessarily depend upon reports and representations made by gentlemen of this and similar associations. We, of Baltimore, believe that no better market, no better classes of goods, no more honest set of merchants, are to be found than right here in our native city. It is, therefore, our desire and our firm intention to convince you that these things are true and that we possess that most essential element of success—progress. Mossbackism and conservatism, if any existed, have given way to ambition, energy and

progress. A little over two years ago our business interests were paralyzed, and the business section of our city was devastated and laid waste by a terrible and almost unprecedented calamity. Instead of being bowed down and overwhelmed from what seemed insurmountable barriers, our citizens rose as one man and, with a spirit that argued well for success, began the gigantic task of bringing order out of chaos, and a new Baltimore is the result of our efforts. Many of you gentlemen have had occasion in the past to trade in our markets, and not a few of you have played no small part in building up our commerce. You are identified with the largest industries of this country, and it is to you more than any other body of men that we must look for assistance in placing Baltimore in the position to which she is rightly entitled—the commercial center of the South. We welcome you not only as representatives of the industrial life of this country and as members of the National Association of Credit Men, but we extend to you a hearty welcome as our honored guests. Figuratively speaking, the key of the city is now in your hands. Nothing will be too good for you. (Applause.) Every courtesy will be shown you, and you will always find an outstretched hand of fellowship and a hearty, cheery word of welcome. Baltimore is proud of having you as its guests, and our citizens are benefited by your visit.

The Governor has told you that he has charge of the police, but I want to correct just one little statement, and to say that if you should be arrested he doesn't remit the fines, but I remit the fines. (Laughter and applause.) He can remit a fine that is against the State of Maryland, but not against the City of Baltimore. Therefore, if the money is paid in it goes into the city's coffers, and there it stays unless I see fit to affix my signature to the committing magistrate's warrant to refund that money.

Now, I say to you, that we are certainly pleased to welcome you to the city. The keys are in your hands, and every building of the City of Baltimore, public—and I should also say private—is open to you, and we would be glad to have you visit our City Hall and our Court House, for we have a Court House in the City of Baltimore that we are proud of, and would be very glad indeed to have you visit it. I thank you and welcome you. (Great applause.)

President Fessenden—The next gentleman who will address us is known to all of you, a pioneer in the work of our Organization. I take pleasure in presenting to you Mr. Samuel Rosenthal, of this city. (Applause.)

ADDRESS OF SAMUEL ROSENTHAL.

Mr. Samuel Rosenthal, of Baltimore, then addressed the Convention as follows:

Mr. President and Members of the Convention:

Our distinguished Governor has addressed you in words of welcome, and our worthy Mayor has opened wide to you the doors of Baltimore hospitality. Thus you have at once become the guests of the Commonwealth, and its metropolis. We joyfully hand you the keys of our great city. You are at home. You are among friends. You are within the pearly gates of that Southern hospitality of which the poets have sung for two centuries. The hospitable officialdom has gladly made you the guests of our whole people, who join with genuine joy in the sentiment that we are yours to command. Now I have been commissioned by the Credit Men's Association of Baltimore to welcome you in behalf of each and every member of that Association to the commercial capital of the grand old Commonwealth of Maryland. (Applause.) This highly prized honor is very much accentuated by reason of my long personal association

with the cause of organization and practical work among Credit Men, and because of the many old-time and cherished friends who grace this occasion with their presence. We Credit Men of Maryland and you Credit Men from other states are bound together by more than common ties of fellowship. We have a mission and a trust in the great field of business, which, singular and distinct, is differentiated in many respects from the duties and responsibilities of other laborers in the broad vineyard of our country's extended trade.

I think, I may say, without undue assumption that, as now constituted, you Credit Men, are the very base and foundation of the grand superstructure of mercantile business in the United States. Credit is the keynote to all business. It is a plant of such tender qualities that only careful nurturing will permit it to grow a beauteous flower in the business garden of the commercial world. It is so closely related to character that to destroy the one means almost certain death to the other. Like a mirror dimmed by breath, its lustre tarnished, a whisper will grow into exaggeration, exaggeration into falsification, falsification into slander, and slander will destroy the loftiest mountain of reputation. We cannot, therefore, be too particular, for if we are sure of one thing, it is the fallibility of human judgment to always interpret correctly.

Modern credit is entirely distinct and apart from that of ages ago. The credit of to-day is largely based on faith in human integrity, on individual honor, on an advanced knowledge of the moral side of humanity, of the underlying motives that inspire the merchant in his daily transactions. The credit of to-day, it might be said, is a science regulated by fixed and recognized rules.

The original security of a debt was the person of the debtor, prevalent in the ancient cities of Greece and Italy and of Asia. Every debtor unable to pay his creditor was liable to be adjudged his slave, and so severely had these oppressive contracts been enforced that Solon, the great law giver, was moved to issue a decree, cancelling all contracts on which a debtor had borrowed on the security of his person. Slow, indeed, but of absorbing and fascinating interest has been the development of business methods from that distant period in the history of man, to the splendid achievements of the nineteenth and twentieth centuries, and that exalted American jurist, Judge Story, has well said, "Credit has been the soul of commerce."

According to the historians, the Babylonians considered money and credit as synonymous. Recent excavations in Assyria and Babylon have shed a flood of light on commercial arrangements during that early period. Indeed, the modern world is now in possession of a considerable number of contracts, receipts and other records relating to credits and loans at fixed rates of interest, negotiable drafts drawn in one place and payable in another, all engraved on tablets of burnt clay. The growth of the new world's extended system of commercial and financial credits received its first marked impulse in the thirteenth century, when the Florentine bankers invented the Bill of Exchange, and at the end of that century wealth beyond all previous conceptions had been attained on the European Continent.

It is a curious fact, however, that bills of exchange were not used in England until the year 1603. Both Italy and France were more than two centuries in advance of England in the evolution of modern commercial methods. It was not until 1838 that the English Law, authorizing arrest and imprisonment for ordinary debts, was abolished, and that the lands of a debtor could be taken in satisfaction of a debt, country courts being for the first time established to facilitate the collection of claims.

It would be a labor of superfluity to dwell upon the part that credit has played in the almost magical development of the United States, in the buying of farms, the raising of cattle, the building of canals and railroads, the conversion of pathless wilderness into fields of corn and wheat and cotton, and the buying of comfortable homes for millions of people. No wonder that the illustrious Henry Ward Beecher, in a notable sermon on the subject, declared that credit was one of the most beautiful blessings that had ever been conferred upon the American people.

But, gentlemen, it is neither my province nor my purpose, on this auspicious occasion, to dwell upon the history of credits, and I have digressed to this extent only to show, in a passing away, that credit is the beginning and the end of commercial business—that it is the very pulse of normal, healthy, legitimate, modern trade; and, that it is the appointed task of you credit men to keep your fingers faithfully upon that pulse, to the end that you may accurately reckon every changing condition. My pleasing mission here is to speak in behalf of my local brethren in bidding you welcome, and I feel that it would be like unto painting the lily, or gilding refined gold, to add at length to the splendid greetings which have been extended to you by our esteemed Governor and Mayor. But, as one of you, as one who is a constant sharer in your trials and tribulations, as well as in the glorious work of promoting the prosperity of our commercial communities and of thus contributing to the already unparalleled greatness of our country, it is with an especial delight and a rare individual pleasure that I extend to you, my valued comrades, the hospitality of my home people. (Great applause.)

President Fessenden—The response to the addresses of welcome we have listened to with so much pleasure will be delivered by Mr. Howard Marshall, of New York. (Applause.)

ADDRESS of HOWARD MARSHALL.

Mr. Howard Marshall, of New York—

Mr. President, Ladies and Gentlemen:

In the face of such a magnificent reception as this Association has received at the hands of its friends in Baltimore, there is some difficulty in finding words that will make proper acknowledgment, or that will form a fitting response to these many warm and cordial expressions of greeting and of welcome, and this difficulty gives rise to a feeling of some personal embarrassment. I will have to tell you a little story. (Laughter.) The other evening—I heard this only a few moments ago—the other evening a poor old darky was walking down Charles Street, and he was approached by one of the leading citizens of Baltimore, a man of wide girth and portly dignified bearing, of handsome and attractive appearance, reputed wealthy, and with a well-established reputation for good humor; he approached the darky with a view to obtaining change for five dollars, and said to him: "My friend can you change a five dollar bill?" The poor old darky looked at him, his face radiant with delight at the sight of a bill of such large denomination, and said in answer, "I'se very sorry, indeed, Sah, I'se 'fraid I can't make exchange of five dollahs, but I thank you very kindly for the compliment jes' the same." (Laughter and applause.) And so, while the National Association has no right to assume that I can give a fitting response to these many warm words of welcome and make the exchange that seems proper on this occasion, yet, like the poor old negro, I thank you very heartily for the compliment just the same. (Applause.)

We have left our busy offices, our happy homes, and the humdrum of daily experience and daily duties to gather here, and to look on the happy side of life for a few days. We have not yet seen the orioles in the trees, nor have we eaten the canvas-back ducks or the oysters, nor have we yet beheld the mountain laurel on the distant hills; but we have already felt the pulse of this generous community—(applause)—and it needs no student of human nature to observe that the heart of Maryland is open to the Credit Men. (Applause.) In years gone by this Convention has met in many different cities. You have seen the power and the strength and the commercial importance of the great imperial City of New York. In many a Western and Southwestern city you have seen the progress and development and ingenuity of the people that is so characteristic of those centers, and in the dear old Southland we have been the recipients of that wholesouled, generous hospitality for which the people of the South are known throughout the world, and greatly loved. (Applause.) Good fortune has now brought us to the new City of Baltimore. We not only find here the power and the strength and the commercial importance of the great imperial city, but we find development and progress and enterprise that simply make us stand still and wonder—and with it all goes that same wholesome, generous hospitality for which the great Southland is so well known. As citizens of this great country of ours, jealous of its position and influence as a world power, and as business men interested in its commercial and industrial development, we are proud indeed of the high place which has always been maintained in the march of events, on the firing line, by the great State of Maryland. (Applause.) From its early birth in colonial simplicity down to the present time of strenuous life, the State of Maryland has always borne itself with honor, and what is true of the State of Maryland is equally true of the City of Baltimore. It seems difficult to realize that only two short years ago this city was prostrated and the greater part of it lay in ashes. In the accomplishment of the past two years this city has raised to the progress, enterprise and capacity of the people of Baltimore a greater monument than has ever been raised before, and one that will never crumble away. Civic pride and public spirit in this city has been unbounded, and as the character of man develops only under pain and under suffering; as the grape must first be crushed before the wine comes out; and as the piece of china must first be put into the oven before it can be completed, the City of Baltimore has risen from the flames and from adversity to a greater and wider and a nobler influence and work. (Applause.)

To the members of the Association of Credit Men in Baltimore, we are profoundly grateful for what you have done for our comfort and happiness. We always knew that when we came to visit the home city of J. Harry Tregoe—(great applause)—we would indeed be welcome. We thank you sincerely for all that you have done for us, and it gives me very great pleasure on behalf of the National Association to extend to the State and to the City and to the Local Association of Credit Men the assurance of our most distinguished consideration. (Great applause.)

President Fessenden—The President craves your indulgence while he addresses you.

ADDRESS OF PRESIDENT O. G. FESSENDEN.

To the Members of the National Association of Credit Men:

GENTLEMEN:—In June, 1893, there was held in the city of Chicago a "Congress" of Credit Men. So little was understood of the object of

the meeting, or so little interest taken in the subjects to be discussed, that the attendance was small and no practical results were accomplished. And yet, who can say that this "Congress" was not the seed from which three years later came the organization of the National Association of Credit Men at a Convention held in the City of Toledo, Ohio, June 23, 1896.

Let us for a moment recall that day. A few men unmindful of discouragements, rebuffs and motives misunderstood, at a sacrifice of time and money, had labored unceasingly for three long years to bring the credit men of the country together. The attendance seemed large to those present but looking at that number from the viewpoint of to-day, it seems extremely small. Nine local Associations of Credit Men, only three of which had passed the formative stage, sent delegates, the others present being individuals interested in the general subjects of credits. An organization was effected, a Constitution adopted and officers elected. No higher tribute can be paid to the men who took part in that Convention than to say that under the Constitution they framed this organization has worked and prospered for ten years.

I venture to say that there were few men present at the Toledo Convention who had the faith and courage to believe that they were taking part in the forming of an organization which in ten years would number 7,500 members, representing the business interests of the entire nation.

Ten years hence the men who attend the convention of that year will represent at least 25,000 members and marvel that we of to-day thought 7,500 was a large number to have in our Association.

Since the Associations of Credit Men have come into existence magnificent results have been accomplished in many directions. Closer relations have been effected between the wholesaler and his customers and a mutual confidence, a most valuable asset, has been established. You and I know the conditions which existed prior to the formation of our organization. Many of the business houses had no real system of credits. Information when most needed by credit man from his fellow credit man was slow in coming and when received was often useless. A distrust based on lack of acquaintance or a fear of each other existed in the minds of many of the credit men of the country. How great the difficulty of getting creditors to act in concert in a case of fraudulent failure those of us who unfortunately were interested know full well. The cases of creditors combining to help an honest but unfortunate debtor to get upon his feet were few and far between. The great merit of Adjustment Bureaus was not generally recognized and while some lines of business had organizations the work of many that existed was necessarily limited in scope.

The laws of many of the States in matters pertaining to creditor and debtor were unjust to both and a constant source of delay and loss. The conditions mentioned are but a few of those which confronted the credit man in 1896. Our work is by no means finished. Those who come after us must take it up where we leave off and labor as we have with disinterestedness for the general good of all. The records show the work we have done and its results. We have ample cause for congratulation.

No one who has followed the history of the National and local associations can for a single moment doubt the absolute necessity for such organizations, if we desire to accomplish results beneficial to credit men and the business community. Without local associations the National Association could have accomplished little. With their watchful, zealous and enthusiastic support, we are invincible. I am equally sure that without a National Association the work of the local associa-

tions would be confined to limits so narrow that no real benefit to the commercial world would result.

To-day greater in numbers, more confident of our power to do good with an absolute faith in our fellow credit men, we meet to congratulate each other on what we have accomplished and take counsel one with the other for the future.

There are several matters I desire to submit for your consideration and such action as you may deem proper.

Those of us who are not residents of this city remember how on that fateful morning in February, 1904, the news was flashed to the world that Baltimore was on fire. We knew that day that a great army of citizens of a sister city had been suddenly called upon to defend their lives, their homes and their business from a foe greater than any led by human being. Forming again and again for the attack, forced many times to retreat, never thinking of surrender, this brave army fought until the enemy was subdued. And then a greater problem confronted them. The city they loved standing desolate among the sisterhood of cities must be rebuilt. With a sublime courage they entered upon the task, refusing assistance from their countrymen, and in two years, to the wonder of the world created a more beautiful Baltimore, a monument to what earnest men can do. People seeing what Baltimore had done said, should such a calamity occur to other cities the victims would tell each other to remember Baltimore and take courage in time of trouble and disaster. Alas, the test of man's endurance under similar but more dreadful circumstances came all too soon. San Francisco, the city at the Golden Gate, is even now called upon to meet conditions caused by a combination of earthquake and fire, appalling to every thinking man, inconceivable to those not actually on the ground.

Among the thousands in that city, homeless, their business gone, are our brother members of this Association. Realizing that our members would contribute to the funds asked for by the cities of which they are residents, your Board of Directors felt, nevertheless, that it was their duty to give to all the members of this organization an opportunity to contribute directly to a fund to be placed in the hands of the President of the San Francisco Credit Men's Association to be disposed of as he deemed best. The Association of that city is without funds, habitation or records. I trust a resolution will be unanimously adopted by this Convention, providing that the payments of dues by that association to the National Association be suspended until such time as it can take the matter up without hardship. That we want our brothers to retain their membership here; that we sympathize with them in this their hour of trouble and look forward to the time, not far distant we hope, when we shall see them again represented in our National Conventions, it is needless to say.

From a careful study during the year I have had the honor to be your presiding officer, I am convinced that while our Constitution is in the main all that could be desired, a few changes should be made in that instrument to meet the conditions of to-day. The general matters calling for action by the Board of Directors are as a rule not of sufficient moment to justify the expense of calling the members together, requiring them to give up their time for a trip to a distant city, and consequently the business is conducted by mail or telegraph. It has occurred to me that an amendment to Article IX of the Constitution, authorizing the Board of Directors to choose from its members an Executive Committee of five with full power when the Board of Directors is not in session, the President and Secretary-Treasurer to be members Ex-officio, would

be of material benefit to the Association as it would enable your President to consult frequently with a representation of the Board and avoid delays when action should be taken at once. This would also lessen the responsibility placed on your President and I am sure he would be much happier could he share it with others whom he could quickly summon in conference.

My predecessor in office appointed a special committee to look after our interests in the National Bankruptcy Law. This committee was continued by me and has performed yeoman service. The progress of events rendered it advisable to call to our aid certain organizations which had an interest in this work. A meeting was held on December 6, 1905, at which delegates from the Merchants' Association of New York, the National Board of Trade, the American Bar Association and the Commercial Law League of America were present. A joint committee, composed of a member of each organization represented at the meeting, was appointed, of which your President was elected Chairman and your Secretary-Treasurer asked to fill a similar office on that committee. Many conferences of this joint committee were held and careful thought given to the matters entrusted to its charge. There has been considerable correspondence with the Committees of the two Houses of Congress and many personal visits to members of Congress by the committee. At its instance an amendatory bill was introduced and at a hearing held by the Judiciary Committee of the House of Representatives, the joint committee earnestly and effectively attacked all efforts to repeal the present law. The amendatory bill prepared by the joint committee proposes to make the law less expensive, in its operation, more effective in its application and shortening the time in which a final decision can be obtained. I feel confident the results we desire will be brought about. The committee of our Association is a special one and it is obvious that we have reached the point where a standing committee, answerable to the Association, should be appointed. This suggestion if accepted, will necessitate an amendment to Article X of the Constitution.

I desire to call your attention to other special committees which in my opinion should be made permanent. There are now special committees on Fire Insurance, Credit Co-operation and Adjustment Bureaus. These Committees have charge of matters which are of great importance to this Association and they should be made standing committees to properly carry on the work entrusted to their care.

At the last Convention a Resolution was adopted changing the time of our meeting in Convention from June to May. Your Board of Directors found it impracticable to carry out your wishes in this respect for the Convention of this year. You will remember that previous to the adoption of the Resolution mentioned the Convention had voted to accept the invitation of the Baltimore Credit Men's Association to meet in this city. This invitation was extended on the assumption that the Convention would be held in June. Your Board of Directors felt that it would not have been proper to suggest a change.

This leads me to make a suggestion which I trust you will take in good part. In the past when our organization was a small one, a convention was attended by comparatively few delegates. This is not true to-day. I know I voice the sentiment of every local association of credit men throughout the country when I say each and every one of them would be glad to welcome us to its home city and entertain us royally. But there are local associations which cannot ask us to come to them because the limited facilities of their city do not permit of their taking

care of so large a number. These associations send delegates to our conventions, accept the hospitality of their hosts in the spirit in which it is offered, but at the same time with a feeling that however much they would like to reciprocate they cannot because of the impossibility of making the delegates comfortable in their home cities. Our first object in meeting in convention is to transact business, and it would in my opinion benefit our associations if Article VII of the Constitution should be amended to read that after the year 1907 the time and place of holding the Annual Convention shall be decided upon by the Board of Directors. Let it be understood that all invitations of local associations to entertain the delegates as a body shall be declined, not because of a lack of appreciation of such invitations, but that the entertaining of a convention increasing in numbers year by year is a greater burden than a local association should assume. This past year has seen a larger increase in membership than any year of the life of our Association. This increase is directly traceable to the great interest taken by credit men throughout the country in the work we are doing and their recognition of the value to them, and to the houses with which they are connected, of such an organization as ours. And it is further traceable to the indefatigable labor of our Secretary-Treasurer and his able assistants who have devoted themselves to the interests of this Association at all times.

The Standing and Special Committees will present to you their reports which I am sure you will be greatly interested in. I commend them to your careful consideration.

In closing I desire to say that to each and every member of this Association and particularly to the Board of Directors and the Chairmen of the various committees, I am indebted for help and encouragement. Every member of the Association I have called upon has responded cheerfully and loyally to my appeal. The really hard work has been done by the Secretary-Treasurer, so that my position has been more of an honor than a labor. But what little service, if any, I have given to the National Association of Credit men has been gladly rendered in grateful acknowledgment of what the Association has done in bringing to me the warm friendship of men whom I admire, which will last, on my part, as long as I live (Great applause.)

W. A. Given, of Pittsburgh—I wish to ask the unanimous consent of the Convention to the reading of a resolution bearing on the conditions that exist in the City of San Francisco.

President Fessenden—As there seems to be no objection, the Secretary will read the resolution.

The resolution was read by the Secretary as follows:

Whereas, The calamity of earthquake and fire, unparalleled in the history of our country, which visited San Francisco, California, on the morning of April 18, 1906, was of such stupendous and appalling consequence as to completely paralyze all business activity; and

Whereas, The San Francisco Credit Men's Association, one of the strong and active affiliated branches of the National Association of Credit Men, has, through said catastrophe, been seriously crippled and handicapped by the loss of all funds and records; therefore, be it

Resolved, That the National Association of Credit Men, in annual convention assembled, hereby expresses its heartfelt sympathy to our brothers of the San Francisco Credit Men's Association in the great commercial loss they have suffered by said earthquake and fire, and we extend to them the full assurance of our continued faith and confidence in their loyalty and fidelity to the principles of our Association.

Resolved, That the San Francisco Credit Men's Association be, and it

is, hereby relieved of the payment of its per capita dues until such time as it may be able to resume the same without hardship or detriment to its future and permanent success.

Resolved, That an engrossed transcript of these resolutions duly authenticated by the signatures of the officers of this Association, be transmitted to the San Francisco Credit Men's Association.

President Fessenden—Gentlemen, you have heard the resolution; what is your pleasure?

Motion made for its adoption.

Resolution unanimously adopted.

President Fessenden—The next order of business is the report of the Secretary-Treasurer, to which please give your attention.

Secretary-Treasurer Charles E. Meek, of New York, then read his report, as follows:

Report of the Secretary-Treasurer.

To the Officers and Members of the National Association of Credit Men:

Gentlemen—A duty which your Secretary-Treasurer is called upon to perform annually is the preparation of a yearly report and the presentation of it to the members of the National Association of Credit Men in Convention assembled. While the volume of business in which the Association has an interest is greater to-day than ever before, your Secretary-Treasurer finds upon undertaking his report that this fact has by no means added to the topics which may be discussed by him. With becoming modesty your President stated in his address to you that he would not burden you with a lengthy discussion of the Association's affairs, assigning as his reason for taking this stand that the Committee reports would place before you a vast amount of detail covering all phases of the Association's work, and thus your President avoided the danger of having the same story told twice. In this particular I do not intend to differ with our President, but will give him my cordial support by confining the scope of my report principally to a statement of the financial condition of the Association.

Those of you who were in attendance at the Convention held in Memphis will recall the prosperous condition of the Association's financial affairs as reported at that time, a condition which has been maintained during the year, as the following figures will show:

FINANCIAL STATEMENT.

June 1, 1905 to June 1, 1906.

RECEIPTS.

June 1, 1905, cash in bank.....	\$ 855 48
Individual dues received.....	8,860 00
Organized dues received.....	17,167 66
From sale of Association blanks.....	256 57

\$27,139 71

DISBURSEMENTS.

1905.	
June, Vouchers paid.....	\$1,162 33
July, Vouchers paid.....	2,777 72
August, Vouchers paid.....	1,721 51
September, Vouchers paid.....	1,804 91
October, Vouchers paid.....	1,611 61
November, Vouchers paid.....	3,180 42
December, Vouchers paid.....	1,654 54

1906.		
January Vouchers paid.....	\$1,560 09	
February Vouchers paid.....	2,657 95	
March, Vouchers paid.....	1,522 03	
April, Vouchers paid.....	2,826 40	
May. Vouchers paid.....	2,924 49	\$25,404 00
		<hr/>
		\$1735 71
Balance in office account.....		207 67
		<hr/>
Cash balance, June 1, 1906.....		\$1,943 38
		(Applause).

DIVISION OF DISBURSEMENTS.

Stationery and printing.....	\$2,151 72	
Postage	947 41	
General expense	4,886 26	
Organization expense	6,126 57	
Salaries	6,618 58	
Furniture and fixtures.....	366 97	
Legal expenses	896 64	
Bulletin	3,409 85	
	<hr/>	\$25,404 00

Any comparison of the year's disbursements as against those of previous years is omitted, because of certain changes which your Secretary-Treasurer has made in the division of these items. During the year a new addressing machine has been installed in the National office which has greatly facilitated the mailing of the BULLETIN and other matter. Dust-proof cases have been purchased, by means of which the large stock of printed matter carried by the Association is kept in perfect condition. All of the office equipment is in good condition, and together with the stationery and printed matter of various kinds in stock is valued at \$1,800.

REPORT OF TRUST FUND.

The following statement shows the condition of the Trust Fund of the Investigation and Prosecution Bureau:

Balance on hand, June 1, 1905.....	\$1,766 33	
July 8, 1905, Interest.....	10 27	
September 7, 1905, Interest.....	8 58	
December 23, 1905, Interest.....	7 15	
March 26, 1906, Interest.....	5 49	
	<hr/>	\$1,797 82

DISBURSEMENTS.

July 19, 1905, Vou. No. 46, Troy Wagon Works.	\$50 00	
September 26, 1905, Vou. No. 47, H. C. Quinby...	226 00	
September 26, 1905, Vou. No. 48, H. C. Quinby...	68 62	
October 14, 1905, Vou. No. 49, Geo. W. Carr...	134 97	
November 4, , 1905, Vou. No. 50, L. J. Kadeski....	150 00	
March 7, 1906, Vou. No. 51, H. C. Quinby:.....	25 00	
April 18, 1906, Vou. No. 52, David S. Ludlum....	300 00	954 59
	<hr/>	
Balance on hand, June 1, 1906:.....	\$843 23	

The unfinished cases of the Bureau will be covered in the report of the Investigation and Prosecution Committee. Voucher No. 52, drawn to the order of the Chairman of the Investigation and Prosecution Committee, covers an amount advanced to the Associations at Philadelphia and Pittsburgh, for the purpose of assisting them in prosecuting a fraudulent debtor.

There was realized from the appeal issued in behalf of the San Francisco sufferers the sum of \$817, which amount was placed in the hands of Gustav Brenner, President of the San Francisco Credit Men's Association.

President Fessenden and your Secretary-Treasurer visited during the year the associations at the following points:

Baltimore,	New York,
Buffalo,	Philadelphia,
Chicago,	Pittsburgh,
Grand Rapids,	Rochester,
Milwaukee,	Wheeling,
Youngstown.	

In a number of these visits they were accompanied by members of the Board of Directors.

In addition to the associations before enumerated President Fessenden visited at Denver, Los Angeles and Salt Lake City, while the Secretary-Treasurer called on the Association at Cincinnati, Cleveland, Columbus and Troy.

During the year Assistant Secretary Stockwell and Mr. A. H. Alexander have visited many parts of the United States, both for the purpose of securing individual members and for the organizing of local association.

Assistant Secretary Stockwell met with a painful accident while in Omaha last winter, in the nature of a sprained ankle, which incapacitated him for over two months.

Preliminary work in the interests of the membership has been carried on at a number of points, the result of which will, no doubt, in the near future produce a substantial return.

The members will observe that the program covering the business sessions of this Convention differs somewhat from those of previous years; changes have been made necessary by the increased amount of business to be handled. In the preparation of the program your Secretary received much aid and many valuable suggestions from members of the Association, and expresses, at this time, his thanks to those who have labored so unselfishly towards making this, the Eleventh Annual Convention of this organization, an assured success.

With deep sense of obligation I wish, in closing, to express my heartfelt thanks to the many members who have given the National Office their cordial support, and also to the officers and to the committeemen who have labored faithfully in the interests of the National Association of Credit Men, by means of which our organization has been placed in the front rank and is to-day the leader in this country of all commercial organizations, not only in point of membership, but also in the success which has attended its efforts, whereby all commercial interests have been benefited, and the welfare of all advanced. (Great applause.)

President Fessenden—If there is no objection, the report of the Secretary-Treasurer will take the usual course. (Report was referred to Auditing Committee)..

President Fessenden—The Chairman of the Entertainment Committee desires to make some announcements. (Applause).

Mr. J. Harry Tregoe, of Baltimore—*Mr. President, Ladies and Gentlemen:* I want to say at the outset that nothing perhaps in the history of Baltimore has afforded it more pleasure than to provide for your entertainment within its circles. We have had no shirkers in this duty, and wherever you see a man from Baltimore you may be sure of very cordial reception and service. I simply want to make an announcement that we may be guided in our entertainment features for the day, first stating that the weather, which Mr. Apperson contracted for just one year ago has arrived one year late. The ladies are asked to meet our Auxiliary Committee of Ladies at 12.30—not later—in the Tea Room which adjoins the office. Cars will leave at one o'clock for the Suburban Club, where a luncheon will be served and a little musicale provided. We hope the ladies will report promptly. This evening at eight o'clock we hold a reception and luncheon and musicale in our Fifth Regiment Armory. It will not be difficult for you to locate the Armory from this building; it is only a few blocks away. We hope that by that time the weather will have cleared. We will be here to direct you. We want you to be present to meet some of our representative Baltimore men who are not immediately in touch with credits. I think you can spend a very pleasant evening with us. (Applause).

President Fessenden—The Secretary will announce the committees on nominations, etc.

Secretary Meek—Mr. President, with your permission, before announcing the committees I have several other matters to call to the attention of the Convention.

The Secretary then read the following letter:

OAKLAND, CAL., May 21, 1906.

Mr. Charles E. Meek, Secretary-Treasurer, National Association of Credit Men, New York, N. Y.

MY DEAR MR. MEEK: Yours of the 15th to hand enclosing check for \$817.00 and asking me to place this money where it will do the most good. I shall talk the matter over with some of my directors, preferring to get their judgment rather than to entirely exercise my own. There are so many ways in which this money can be applied that I am anxious to choose the best and most efficient. I have no doubt, whatever, that large amounts have been subscribed by your members and the firms they represent, aggregating, no doubt, many thousands of dollars, and the sum you have sent me will do just that much more good to the needy and suffering, of which we have, unfortunately, a large number among us. You may assure President Fessenden that the money will be placed where the greatest amount of good will be accomplished.

Thanking you in the name of our Association and also in the name of those whose wants will be relieved, also adding my kindest regards and trusting this meets you in the very best of health and spirits, I remain,

Sincerely yours,

G. BRENNER.

A telegram from Lakota, North Dakota, addressed to the Secretary:

"Greetings from Seattle Association. Washout delayed me five days. Am with you in spirit. May arrive Friday. Cancel hotel reservation.

J. W. SPANGLER, Jr.

Members are requested to turn in their credentials, their certificates and their proxies, and to register at the earliest possible moment. Of course, this only applies to those who have not attended to these matters.

The members of the Association have in the past been accustomed to having the services of Mr. H. D. Goodwin, who has reported our meetings for many years. As Mr. Goodwin was about to leave for the Convention he was served with a subpoena to appear before the Investigation Committee on Insurance of the State of Wisconsin, which prevented his coming here, but he has sent from Milwaukee Mr. H. C. McDermott. As he is not as familiar with the faces as Mr. Goodwin was, the delegates will kindly announce their names plainly so as to give the gentleman every opportunity to report our proceedings correctly.

The committees were then announced by the Secretary-Treasurer as follows:

COMMITTEE ON NOMINATIONS.

Harry New, Chairman, Cleveland.
J. H. Lempert, Rochester.
A. B. Merritt, Grand Rapids.
C. S. Dickey, St. Joseph.
John Landstreet, Richmond

COMMITTEE ON AUDIT.

C. L. Wichard, Norfolk.
F. D. Sweeten, Philadelphia.
C. L. Bird, Boston.

COMMITTEE ON CREDENTIALS.

C. E. Meek, New York.
Frank Sibley, Buffalo.
Karl K. Mayer, Denver.

COMMITTEE ON RESOLUTIONS.

W. A. Given, Chairman, Pittsburgh.
Wilmer L. Moore, Atlanta.
F. H. McAdow, Chicago.
Geo. Guckenberger, Cincinnati.
H. M. Powell, Columbus.
W. P. Peter, Dallas.
Charles B. Sawyer, Detroit.
R. V. Covington, Jacksonville.
Sam H. Smith, Kansas City.
J. H. Scales, Louisville.
E. F. Sheffey, Lynchburg.
W. B. Strong, Milwaukee.
J. H. Orr, Nashville.
A. H. Kaiser, New Orleans.
Malcolm Graham, Jr., New York.
A. L. Rosenaur, Baltimore.
F. W. Risque, St. Louis.
D. L. Sawyer, St. Paul.
W. L. Dales, Youngstown.
O P. Taylor, Wichita.
W. C. Mushet, Los Angeles.

President Fessenden—*Gentlemen:* Next on our program is an address on "Mercantile Organizations and What They Bring Us," by

Clayton F. Shoemaker, of Philadelphia, whom I have the honor to present to you. (Applause.)

Mr. Shoemaker—*Gentlemen*: As one of your fellow members from the earliest days of this Association, I am pleased with the first opportunity I have had to meet you and greet you face to face, although, at the same time, knowing what I am about to inflict upon you, I cannot refrain from saying that you have my sympathy, as I hope I have yours. (Applause.)

"Mercantile Organizations and What They Bring Us."

Mr. President and Gentlemen of the National Association of Credit Men:

I deem it an honor, as well as a pleasure, to have been asked to be with you to-day, because it is not often that a speaker has the opportunity to address an audience of this class. Your associates may compare samples of fabrics and finished goods, of crude articles and refined products, but you men are judges of brains. When an applicant for credit presents himself, you not only inquire as to his financial position and his habits, but you likewise take thorough judgment as to his mental ability, and it is this feature, quite as much as the others that I have mentioned, which helps to produce your final judgment as to his worth. It would therefore be an act of temerity for a speaker to presume to address you, unless he thoroughly believed that he had a message to give, and that is the feeling which I have to-day. It is my sincere hope that every man within reach of my voice may find something in my address which will cause him to pause and think for a moment at least, although in this connection I cannot refrain from saying that when I shall have finished I would much rather feel that I had said something of which all of you did not approve than to have you forget that I had spoken.

It seems to me also that the setting of this scene is such as to give any speaker inspiration, as we stand here to-day in this beautiful city, the Gateway to the South, the land of romance and of chivalry, of beautiful women, and of unstinted and generous hospitality. And yet it is not alone these possessions which challenge my admiration, but the sturdy figure of American manhood which will forever be perpetuated here as long as the city exists. It appeals vividly to my imagination that when a few years ago the community around us stood face to face with a catastrophe which seemed overwhelming, and when aid was tendered from loving friends and from every quarter, that the citizens of Baltimore rose as one man and said: "We appreciate your loving kindness, your sympathy touches our hearts, but financially we prefer to help ourselves and to be independent." So to-day we have the new Baltimore, more beautiful, more enduring than the old Baltimore, and a bright star in the constellation which sheds the light of this country over the world. For, you must remember, that it is the great cities which make or mar the country. The agricultural districts feed us, and they are as deeply interested in our welfare as we are in theirs, but it is the cities where is congregated the wealth, the capital, and the mental ability, and from which originate the influences which produce our laws and send our reputation abroad.

The question of just what sort of a theme to select about which to speak was likewise a delicate one. I have always held that addresses at a National Convention should be general in character. The actual work in bodies of this kind must always be done by committees, and details in regard to the work may safely be left to your Local Associations.

What each member of the National Association specially needs is a more thorough belief in the system of which he is a part, and a growing enthusiasm in regard to the efficacy of the Association to which he individually belongs.

Mercantile associations may be broadly divided into three different classes:

The first class comprises organizations which are distinctly local, and the scope of whose work is limited almost entirely to the immediate field of their operations. Some of these, like the Boards of Trade in some of the larger cities, have been in existence for nearly one hundred years, and derive their claim for existence chiefly upon their extreme respectability, and the memories of their achievements in the past. Others, composed of bright, progressive, up-to-date business men, are to-day actively engaged in thoroughly sifting every question which arises as to the welfare of their respective communities, and stand as factors which must be counted within the promotion of honest and judicious government and in keeping their respective cities in the front rank.

The second class consists of associations which comprise, we will say, a large part, generally more than the majority, of the houses representing some special line of business, either wholesale or retail, and generally covering the entire country in their scope.

The third class, to which our Association belongs, comprises those which are formed from many localities, and from many different lines of business, for some specific purpose, to combat some particular grievance, or to reform some particular line of abuses.

It will, no doubt, be surprising to some of you to know the extent to which this tendency to organize has grown. From the best authorities at my command I am informed that there are now between 2,000 and 2,500 mercantile associations existent in this country, and one of the most recent movements in this direction has been the formation of a National Association of Presidents and Secretaries of National Associations, this being intended to act as a sort of Clearing House for their entire constituencies.

Now, what is the moving spirit of the theory which has caused men thus to gather together in large or small numbers, to spend much time and much money in the pursuit of a definite result? The answer may be given in one word—"Co-operation." In the very early stages of our globe the primitive man stood entirely alone. He felt that every man's hand was against him, and his hand was against every man. He soon perceived that individual forces acting together produced vastly greater results than the same forces acting individually and separately, and thus came the formation, first of the family, then of the tribe, and last of the nation. Our mercantile organizations of to-day are merely families, tribes and nations of mercantile and manufacturing interests.

It is not necessary for me to recount to you in detail, the various results which follow Association work, and especially in this line. The literature which is sent out from our central office, is (it seems to me) in this respect complete and convincing. I will briefly call your attention to what I consider the central thoughts in all Association work, which are the cheerful and voluntary furnishing to each other of all the information in our possession in regard to our customers, not only in regard to their credit, but likewise in regard to their trade habits; the Reform of Trade Abuses; the Improvement of Trade Conditions. Last, but not least, the creation of intimate social and business relations, which are not only gratifying to the participants, but which, in cementing together the other objects, likewise prove to be intensely practical. It is difficult for one in

these days to conceive the atmosphere of isolation in which the merchant of former days existed. My own early business education was received in a large house, the head of which was a man of great ability, keen, farsighted, decisive, and prompt in action. He was in every respect a typical merchant, and I have never seen his equal, and yet, in the entire twenty years during which my engagement with this house continued, I never knew him to enter the place of business of a fellow merchant in his line, and in turn his competitors held themselves as far aloof from him, as he did from them. This utter change in mercantile spirit constitutes one of the remarkable features of the present age. The merchants and manufacturers of to-day, cheerfully give to their associations and competitors, a volume of information which all the detectives force in the United States multiplied ten times over, and with all the money which it could spend, could not secure, if it were not voluntarily given.

One of the things which Mercantile Organizations bring us, is work, and plenty of it. This work must be done by Committees, and by local Associations, and the finding of capable and suitable men to do the work, is one of the greatest problems of Association management. I consider it of the highest importance that there should be a regular and frequent rotation in office, so far as these Associations go. The most successful are those in which there are absolutely no politics, with which family, social and business influences go for nought, and where the leading offices are bestowed only as a reward for conscientious work capably performed. This is distinctively the day of the younger man, and nowhere is he needed more than in the Mercantile Association. The Directors of every well managed organization, either Local or National, are constantly searching for new and promising material. No one who is disposed to work need ever complain of lack of recognition, if he gives any evidence whatever of his inclination and ability. The motive of this is not hard to find. The older man has already achieved whatever in the way of laurels and reputation he is likely to find, but the younger man has yet to win his spurs; the future is before him.

As a matter of fact, the prizes to be gained in the field of effort were never as large, or as numerous as they are to-day. The world is in a receptive mood. The man who really has something to say may always have an audience. The world takes off its hat to the man who can do things. It was Emerson, you will remember who, with a prophetic sense, wrote:

"If a man can write a better book, preach a better sermon, or make a better mouse-trap than his neighbor, though he build his house in the woods, the world will make a beaten path to his door."

In very truth I consider it a glorious thing to have the opportunity and the ability to do Association work. Work of all kinds is ennobling. In fact, it is the spirit of work which has made our country what it is. In other climes, men work as machines. In this great country of ours, the large majority of its people work, not only with their heads and their bodies, but with their hearts. I rejoice in the fact that we are a nation of workers, and that the proportion of loiterers is so few. I often feel that we do not yield sufficient reverence, not only to those brave and undaunted souls who first landed on the coast of Massachusetts, but to the continually advancing tide which has carried the flag of civilization from the extreme East to the farther West. I love and respect the man on the frontier who chops down the virgin forest and turns the verdant sward for the first time, and the woman, who as his helpmeet, lives with him in a log house, raises a family, and helps him to achieve the longed for success. In the life of a woman of this type, bridge whist and dal-

liance at sea-side resorts play no part. These noble men and women, often cultured and college bred, deserve our admiration and esteem, and constitute one of the most important features in the formation of American character.

This "getting together" in Association work is also a wonderful thing in its effects upon those who do the work. It broadens our energies, strengthens our characters, improves our minds, and makes us better men, as well as better business men. It appeals distinctively to the unselfish element in man's character, because one feels that however much good it may do himself, he is doing still more good for thousands of others. It is like casting bread upon the waters, to return after many days. It is like the gentle rain from Heaven, which falls alike upon the just and upon the unjust (that is as a matter of theory, although as a matter of fact the just generally catches the most of it, because the unjust usually has his umbrella). It takes our minds away from the narrow limitations of our business, from the confines of our homes, and places us upon the hill-top where we can view the world and grasp its significance. But yesterday we were enemies in battle array, each city engaged in bitter commercial conflict with its neighbor. To-day we stand as friends. No sectional lines are here, and we extend the right hand of hearty good fellowship to every one around us.

Whenever I approach from the river front, the City of New York, with its wonderful skyline, a feeling of pride surges up within my breast, and I involuntarily say to myself, "Thank God that this is the commercial capital of my country, and that this great city, the product of American industry, energy and capacity, is a part of the inheritance of every American citizen, and is not the exclusive property of those who live within its lights and its shadows."

Another result of the work of mercantile organizations is the charge that is sometimes made that this spirit of co-operation leads to increased profits, and excessive prices to the ultimate buyer. This I deny. Competition to-day is more active, keen-eyed and alert than ever before, but it finds its best returns in improved service and ingenuity of methods. Whatever increase of profit may be reached is the result of more skilful handling, and the abolishing of unnecessary trade machinery. In my opinion, there never was a time when merchandizing, and in fact all kinds of business, was handled as expeditiously and as cheaply as it is to-day.

I wish to refer again for a moment to some of my earlier business experiences. There were, of course, stenographers in those days, but they were seldom used in business offices, and I myself, as correspondent for awhile, have a vivid recollection of having written thousands of letters from notes hastily scratched in long hand. There were no typewriters, no telephones, and in this particular office all letters and bills were carefully folded, and, with the name and date, or the amount, written on the back, were tied in bundles. Postings from the sales books were made direct to the ledger, but all other entries, including cash entries, were journalized before being posted. Mercantile reports, few in number and sparse in character, were copied with a pen in a big folio volume, and the original reports destroyed. When we compare this cumbersome machinery with the up-to-date loose leaf ledgers, card catalogues, and filing cabinets of to-day, I often wonder how we really got along in those old times.

In no direction is there a greater change manifest than in the attitude of the merchant towards his customer. If you will go back to an English novel, treating of mercantile life, and dated say seventy-

five years ago, you will find that the typical English merchant is always represented as sitting in his private office in a stuffed chair, while his employees and his customers do obeisance to him. To-day the situation is changed. It is the customer now who sits in the stuffed chair, and before him the merchant prostrates himself.

Another thing which mercantile organizations may possibly bring in their train is—collision with the law. The central thought which should constantly animate all those connected with them is, that in a legal sense, mercantile bodies of this kind are not units of themselves, but only aggregations of individuals. Members of mercantile associations must not, and should not, enter into binding agreements to do certain things. The province of the Association is, by careful investigation, to ascertain what lines of action are likely to be most beneficial, and to recommend its members to pursue such a course. Each member must retain his individuality, and if he considers it his best business policy to pursue a certain business course, he should do so because he, himself, considers that it will advance his individual interest, and not from any sense of coercion. The American public of to-day is exceedingly distrustful of combinations, trusts, and all sorts of alliances. This feeling some years ago found vent in the passage of what is popularly known as the "Sherman Anti-Trust Bill."

The National Wholesale Druggists' Association, in which I am naturally deeply interested, has had considerable experience along these lines. As many of you know, proprietary articles have for many years been constantly used by large retailers as a football with which to dispose of other merchandise. The manufacturer of an article intended to retail at \$1.00, naturally does not enjoy having it sold as an advertisement, at say thirty-seven cents, which has occasionally happened, because he reasons that this cutting of price, not only interferes with the profits of small dealers who handle his goods, but likewise discourages them from keeping the article in stock. Acting on this belief, a number of manufacturers commenced many years since, to institute measures for the protection of their regular selling prices, both the price from the wholesaler to the retailer, and likewise the price from the retailer to the public. This has been strenuously opposed by the big cutters, and it has resulted in a series of legal battles in which the absolute right of the proprietor to maintain and control his price has almost always been legally upheld.

As a matter of fact, the public view of competition, is, in my opinion, an utterly erroneous one, and in this view I am upheld by very good authority. Some six years ago, in a case of this kind, the trial Judge expressed himself as follows:

"If it be true that competition is the life of trade, it may follow such premises that he who relaxes competition, commits an act injurious to trade; and not only so, but he commits an overt act of treason against the commonwealth. But I apprehend that it is not true that competition is the life of trade. On the contrary, that maxim is the least reliable of the host which may be picked up in every market-place. It is, in fact, the shibboleth of mere gambling speculation, and it is hardly entitled to take rank as an axiom in the jurisprudence of the country. I believe universal observation will attest that for the last quarter of a century, competition in trade has caused more individual distress, if not more public injury, than the want of competition."

In the "Park" case, before the New York Court of Appeals, the Chief Justice of that highest Court of the great State of New York, spoke as follows:

"The great merchants possessed of large capital will persuade and

induce manufacturers to sell to them more cheaply in consequence of their taking large quantities, and thus they are enabled to undersell and drive out of business the small merchants in their vicinity. I am not here going to question the right of the big fish to eat up the little fish, the big storekeeper to undersell and drive out of business the little storekeeper, but I do believe that the little fellows have the right to protect their lives and their business, and if they can, by force of argument and persuasion, induce manufacturers to establish a uniform price for fixed quantities, so that they can purchase as cheaply as the great merchants, and thus compete with them in the retail trade, they have the right to do so, and that no court of equity ought to interfere and restrain them from the exercise of this privilege."

Many of you are aware that a few months ago, a suit was brought in Philadelphia, known as the Loder case, in which the plaintiff sought to prove that he had been injured by the three Associations known as The Proprietary of America, The National Wholesale Druggists' Association, and The National Association of Retail Druggists, and also by their individual members. This came to trial before a jury, and a verdict in favor of the plaintiff for a considerable amount was rendered. The case has been taken up to the United States Circuit Court of Appeals. Thus far no decision in that Court has been rendered. In the meantime the Government has recently commended an action against these various Associations and their members in the U. S. Courts. Thus we have the extraordinary spectacle of a private prosecution, brought for private gain, being backed up by the Government of the United States, and what is more extraordinary, the Attorney-General, in making the announcement to the public, copied verbatim, a large portion of his announcement from the plaintiff's presentation in the Loder case. Thus some 50,000 men, are, by a stroke of the pen, stigmatized as "law breakers," and the most curious feature of it all is this—that while "Trusts" generally are supposed to be managed for the benefit of the few at the expense of the many, in this case, the work done, whether legal or illegal, has been done to protect the many from the greed and rapacity of the few.

Now, I do not refer to this matter here because of any desire for sympathy on your part, but because I regard it as an indication of what I consider a dangerous tendency towards National interference in private affairs. During the recent extended discussions on "Railroad Rate Regulation," several leading and prominent railroad officers clearly stated that if the giving of rebates was to be finally stopped it would be necessary to permit pooling or combining on a fixed and reasonable rate. This, I regard as practical, logical and just, and along the same line, I also firmly believe that this spirit of co-operation in mercantile affairs must be recognized by the Government as a perfectly legal, underlying principle, and that "concert of action" by a number of men does not necessarily mean violation of law.

The executive head of this nation has recently been reported by the public press as saying, "This is the day for the man with a patch on his breeches to come forward, and for the man of the dollar to go to the rear," and thus far I have not seen it contradicted. I sincerely hope that it is untrue.

As a matter of fact, the dollar of the workingman is entitled to just as much protection as the dollar of the capitalist, and no more. The capitalist also has his legal rights as well as others. I see no more reason why the Government should seek authority to regulate the business affairs of a corporation than of a private individual. In discussing these matters, men frequently lose sight of the fact that the great prosperity of

America has been due to the individual initiative of its manufacturers and business men. Capitalists have been willing to take risks here to a greater extent than in Europe, because the prospects of profit were greater. If an American manufacturer is offered a machine which will do his work more rapidly and more economically than the one he is using he buys it and casts the old one aside, or sends it to the junk heap. The European manufacturer under similar conditions says he cannot afford to buy a new machine and keeps on using the old one. It is the foresight and ability of the American manufacturers which have inaugurated the tremendous industrial plants which we now have, and which supply their products not only to the people of our Nation, but likewise to a considerable part of the civilized world. It is likewise because of this that "the man with the patch on his breeches" is given steady and remunerative employment. In my judgment, many of these risks would not have been taken, and these enterprises would never have been started had it not been for the prospects of liberal profits. When the idea of harnessing the wonderful power of Niagara Falls was first considered, it was thought by many to be an iridescent dream, and even after the work was partly done, absolute failure was confidently predicted. Can it be supposed that the men who furnished the money for that wonderful enterprise and astonished the world by the originality and boldness of their schemes, would have taken this matter up had it not been that they expected to get for their products as high a price as their surroundings would permit?

I appreciate thoroughly the surging of the wave of moral reform which has recently swept across this country. I believe in the quickened conscience which has come to many, and I stand for fairness in business methods generally. At the same time, I cannot refrain from deprecating the conditions of Governmental interference which we seem to be so rapidly approaching. If individual initiative is to be discouraged, if men are to have their profits limited, if they are not to be allowed to manage their own business affairs within the limits of the law, if the disposition of their profits is to be questioned, then it seems to me, our commercial decadence as a Nation will have already commenced.

In closing, my friends, I wish to say that I have discussed this matter thus far entirely from a practical and business standpoint, but it seems to me that there is a higher, and more altruistic view which we might well consider. This spirit of co-operation to which I have referred appeals to me because it discourages the sordid and selfish disposition on the part of the average man, and encourages the better and more generous side of his nature. I am one of those optimists who believe that the world is gradually growing better. The establishment of this Association I consider to have been of marked importance in this land of progress, and I feel that as we stand here to-day, because of it, we are not only better credit men, but that we are better men. Within the last few weeks we have had on the far off western coast of our continent, a terrible catastrophe, so terrifying in its character, so tremendous in its scope, that we can hardly realize its extent. The manner in which the men and women of this country have nobly come forward, and have poured their treasures into the laps of the sufferers, is not only highly creditable to us as a Nation, but is likewise a practical exhibition of a widespread belief in the universal brotherhood of man, which must be extremely gratifying to us all.

But there is one more point to be considered. Most of us I presume

have some sort of a religious belief, and in every religious system of which I have any knowledge there is some form of a Day of Reckoning. Whether it be Catholic or Protestant, Jew or Gentile, Mohammedan or Christian, there must come a time to every man when he will be judged for his deeds and misdeeds. It seems to me that when that day comes it will be a glorious thing for every good Credit Man if he can honestly and truthfully say of his fellow Credit Man, "I gave him a 'square deal.' I did unto him as I would have him do unto me." (Great applause.)

President Fessenden—The next business in order, gentlemen, is the report of the Membership Committee. I want to say that this committee has done earnest and successful work, and the report will be very interesting. It will be read by Mr. J. B. Pearce, the Chairman. (Applause.)

J. B. Pearce, of Cleveland, then read the report, as follows:

Report of the Membership Committee.

To the President and Members of The National Association of Credit Men:

The circle of influence and usefulness of our organization widens in proportion to its growth in numbers; likewise, responsibilities increase in even greater ratio.

To continue during the present year and to maintain in future, the remarkable annual growth of the National Association, it was deemed necessary, in the opinion of the Membership Committee, to devise some uniform plan of work of such flexibility that it could be suggested to all of the local associations.

Pursuing this idea, a working plan was formulated and supplied to local membership committees. The results secured from its use led your committee to recommend its continuance and improvement.

The guiding hand of the National body must be sustained by the local branches, for its strength and activity is dependent, in a large measure, upon their prosperity. Recognizing this, our principal efforts were directed to organizing and stimulating the work of local associations.

The success of a local membership committee depends largely on the efficiency of the officers, committees and the general work of its association; hence, in making recommendations which may not seem pertinent, these conditions have been taken into consideration.

The membership work of the National Association is now only in flower, and to prepare for the great harvest which your committee can foresee, the following recommendations are submitted for your earnest consideration:

First: FREQUENT ASSOCIATION MEETINGS.—Meetings should be held at least once a month and at the close of the day's business, opening with an informal dinner, followed by a program and business session, each participant bearing a share of the expense. The plan of inviting prospective members to the meetings as guests of the Association is recommended and their welfare should be looked after by the Membership Committee. If arrangements are made for the discussion of interesting topics and competent speakers are secured, there will then be no difficulty in having a representative attendance. Frequent meetings cultivate better acquaintance amongst the members and place them on such a footing with each other that they feel they have some claim on their associates by virtue of their membership, and less difficulty will be encountered in keeping them together.

Second: WORK OF THE MEMBERSHIP COMMITTEE.—So that it may work to advantage, each local membership committee should provide itself with a card index of the local membership. Also a card index of eligible

firms whose membership is desired. A directory of the entire membership should be furnished in booklet form at least once each year in such quantities that all members may be provided with a copy; also a supply placed in the hands of the Membership Committee for their use. This year-book should contain the name of the firm, the credit man, the line of business, the street address, and the telephone call. The convenience of this book for ready reference for various purposes on the part of the members, will at once become apparent, and very quickly through its use, almost the entire Association will become an adjunct of the Membership Committee.

Third: EFFICIENT PRELIMINARY WORK.—The Monthly Bulletin, in its present improved form, is a most efficient advance agent. Let the Membership Committee select from 25 to 100 desirable firms and forward their names to the National office to be placed on the complimentary mailing list for three or four months. Let the Bulletin and other literature published at headquarters be mailed to those named regularly, and with a careful "follow-up" system, the results will be astonishing.

Fourth: COMPETENT AND ACTIVE OFFICERS AND COMMITTEES.—It is very essential that officers be elected who have a thorough knowledge of the work and who have the interest of the Association at heart. In most instances, where little or no progress has been made, your committee has observed that the persons occupying executive positions, were so engaged in other business matters, as to preclude their giving the necessary time and attention to association work.

A RESUMÉ OF THE YEAR'S WORK.—During the year local associations have been organized at Des Moines, Iowa; Jacksonville, Florida; Spokane, Washington; Sioux Falls, Dakota; Troy, New York, and Toledo, Ohio.

The associations in the following cities have been reorganized and are now in a prosperous condition: Fort Worth, Texas; Dallas, Texas; Houston, Texas, and Kansas City, Missouri.

The Utah Association of Credit Men located at Salt Lake City, Utah, has become affiliated with the National Association, and brings us about eighty new members.

Your committee regrets exceedingly to report the dissolution of two organizations, viz., Evansville, Indiana, and Knoxville, Tennessee, and that through unfortunate combinations of circumstances, flourishing conditions do not exist in the following local organizations: Chattanooga, Tennessee; New Orleans, Louisiana; Sioux City, Iowa; Troy, New York, and Wheeling, West Virginia.

Your committee had hoped to be able to report renewed activity on the part of these valuable sister Associations, and we express our firm belief that through the influence of a number of faithful and energetic members of these branches, and the guiding hand of the National officers, they will at an early date again become influential units in our organization.

The National office has rendered valuable assistance in increasing the membership of the following local Associations by furnishing the services of the organizers, who devoted considerable time to the work in each place, viz.: Chicago, Philadelphia, Pittsburgh, Omaha and Portland, Ore.

Marked success in renewing individual memberships has been accomplished under the plan of personal visits on the part of the National Organizers, and a continuance of this method is recommended.

Since the last convention the following cities have been canvassed by the National office:

IDAHO.

Boise.

INDIANA.

Anderson, Auburn, Crawfordsville, Elkhart, Evansville, Fort Wayne, Frankfort, Goshen, Huntington, Indianapolis, Kendallville, Kokomo, Lafayette, Laporte, Ligonier, Logansport, Marion, Mishawaka, Peru, South Bend, Wabash.

MICHIGAN.

Menominee.

MINNESOTA.

Faribault, Mankato, Red Wing, Stillwater, Winona.

MONTANA.

Billings, Butte, Helena.

NEBRASKA.

Fremont, Grand Island.

NORTH DAKOTA.

Fargo, Grand Forks.

PENNSYLVANIA.

Altoona, Annville, Bethlehem, Easton, Erie, Harrisburg, Johnstown, Lancaster, Lebanon, Reading, Williamsport, York.

SOUTH DAKOTA.

Aberdeen, Sioux Falls.

TEXAS.

Dallas, Ft. Worth, Houston.

WASHINGTON.

Spokane, Tacoma.

WISCONSIN.

Appleton, Ashland, Beloit, Chippewa Falls, Eau Claire, Fond du Lac, Greenbay, Janesville, Kenosha, La Crosse, Madison, Manitowoc, Marinette, Menasha, Neenah, Oshkosh, Racine, Sheboygan, Superior, Two Rivers, Watertown.

Reference is made to the large number of firms in Indianapolis who have taken out individual membership in the National Association, and it is the judgment of your committee that a local organization should be effected in that city at an early date.

The history and statistics of the National Association show that keener interest, steadier growth and greater opportunities for good prevail under the aid of a Local Association.

Delays were encountered in issuing the Annual Membership List, and the flood of inquiries pouring into the National office concerning it indicates the widespread use of this directory as a book of reference by our membership. A special list of banks and bankers was included in this edition.

The new membership certificate has been heartily received and is being prominently displayed in the offices of our members, generally, throughout the country.

Attention is directed to the cordial endorsement which has been given to our Association by the National Association of Agricultural Implement and Vehicle Manufacturers at their last convention. A resolution was adopted approving of our Association and recommending that all of their members affiliate themselves with us. This resolution went

to the Executive Committee, was favorably acted upon, and in their Bulletin, which they have just issued, the matter is given considerable prominence.

Several so-called Credit Men's Associations, not affiliated with the National Association, have been reported to the committee. Investigation, in some instances, has shown the name to be simply a cloak under which some commercial lawyer or collection bureau is working. Our members are warned to be on their guard against such institutions.

A comparative statement is herewith submitted showing the membership of the local associations as of June 1, 1905, and June 1, 1906:

	June 1, 1905.	June 1, 1906.
Atlanta, Ga.....	51	62
Baltimore, Md.....	197	308
Birmingham, Ala.....	34	41
Boston, Mass.....	138	138
Buffalo, N. Y.....	86	99
Chattanooga, Tenn.....	31	31
Chicago, Ill.....	420	485
Cincinnati, Ohio.....	170	166
Cleveland, Ohio.....	170	441
Columbus, Ohio.....	103	153
Dallas, Texas.....	45	72
Denver, Colo.....	148	187
Des Moines, Ia.....	..	47
Detroit, Mich.....	123	141
Duluth, Minn.....	34	44
Evansville, Ind.....	35	..
Fort Worth, Texas.....	39	54
Grand Rapids, Mich.....	117	152
Houston, Texas.....	29	51
Jacksonville, Fla.....	..	49
Kansas City, Mo.....	40	73
Lincoln, Neb.....	26	18
Los Angeles, Cal.....	58	93
Louisville, Ky.....	78	88
Lynchburg, Va.....	30	26
Memphis, Tenn.....	89	101
Milwaukee, Wis.....	159	175
Minneapolis, Minn.....	109	108
Nashville, Tenn.....	71	99
New Orleans, La.....	51	48
New York, N. Y.....	558	611
Norfolk, Va.....	44	36
Omaha, Neb.....	48	80
Philadelphia, Pa.....	336	440
Pittsburgh, Pa.....	233	310
Portland, Ore.....	67	88
Richmond, Va.....	64	83
Rochester, N. Y.....	153	203
St. Joseph, Mo.....	47	56
St. Louis, Mo.....	361	360
St. Paul, Minn.....	58	84
Salt Lake City, Utah.....	..	73
San Diego, Cal.....	15	15
San Francisco, Cal.....	224	203
Savannah, Ga.....	34	38

Seattle, Wash.....	22	56
Sioux City, Ia.....	47	21
Sioux Falls, S. D.....	..	11
Spokane, Wash.....	..	61
Toledo, Ohio.....	..	52
Troy, N. Y.....	..	31
Wheeling, W. Va.....	37	38
Wichita, Kas.....	37	38
Youngstown, Ohio.....	42	41

	5,103	6,579
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The membership of the Association on June 1, 1905, was as follows:

Organized	5,103
Individual	976

Total	6,079
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On June 1st, 1906, it had been increased to

Organized	6,579
Individual	1,011

Total	7,590
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A net increase organized	1,476
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A net increase individual.....	35
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A total increase of.....	1,511
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(Applause.)

The following resolution is presented at the request of The Cleveland Credit Men's Association, and carries with it the hearty endorsement of this committee:

Whereas, There exists a lack of uniformity in the branches of the National Association of Credit Men in their organization, and,

Whereas, The Association stands for improvements and regularity in methods as stated in Article II of its Constitution; therefore, be it

Resolved, That a special committee be appointed to frame and recommend a model, uniform Constitution, uniform names for all Local Associations, uniform membership rights and privileges and uniform membership classification. This committee to make its report at the 1907 Convention.

In closing this report your committee takes occasion to express for the Cleveland Association and for itself, appreciation of the honor and distinction of having this important Committee assigned to our city.

Whatever measure of success has crowned our efforts is due to the ready response and active co-operation of our sister Associations. It is especially gratifying to the Membership Committee to acknowledge the splendid support freely accorded us by Baltimore, Chicago, Philadelphia, Pittsburgh, Rochester, Denver, Grand Rapids, Los Angeles, Milwaukee, Nashville, Columbus and Cleveland.

Respectfully submitted,

W. F. LYON,
F. A. GROSSENBACHER,
KENNETH R. TAYLOR,
W. M. PATTISON,
J. B. PEARCE, *Chairman*.

(Great applause.)

President Fessenden—Before having the Secretary read the resolutions, I want to say that the rules of procedure are printed and have been distributed in the hall. We omitted reading them this morning, following the custom of last year's Convention. The Secretary will read the resolution.

Secretary Meek—

WHEREAS, There exists a lack of uniformity in the branches of the National Association of Credit Men in their organization; and,

WHEREAS, The Association stands for improvements and regularity in methods as stated in Article II of its Constitution; therefore, be it

Resolved, That a special committee be appointed to frame and recommend a model, uniform Constitution, uniform names for all Local Associations, uniform membership rights and privileges and uniform membership classification. This committee to make its report at the 1907 Convention.

J. B. Pearce moved the adoption of the resolution as read.

S. G. Rosson, of Cincinnati—I wish to second that motion, and make one suggestion for the consideration of this committee. We find here a statement that there are 1,011 individual members of the National Association of Credit Men. As I understand it, each individual member of the National Association has a vote, whereas local associations are represented by delegates, say, one to twenty-five members. For example, Cincinnati has a membership of about 170; we have seven votes, seven delegates. Seven individual members have the same voting power and representation as the 170 members of our local association; and I therefore suggest that while we anticipate no bad results from the balance of power being in the hands of a thousand men against nearly seven thousand, at the same time it is a general law that the majority should rule; and, furthermore, it seems to me that greater benefit would obtain if those members who have been acting individually or have had an individual membership in the National Association, belonged to some nearby local association—their neighbors with whom they are more or less acquainted. Take my own case: I would prefer to do that if I were in a city where we had no local association. And if the territory were so divided as to bring all such members into certain districts it would provide a more equal representation. Now if this should cause a reduction in the revenue of the National Association, then let the per capita dues be increased to make up the difference.

J. A. McKee, of Philadelphia—On the subject just presented by the gentleman who has spoken I wish to say it should be taken into consideration that many of the members of the National Association are also members of local associations, and it is not to be supposed that the members of the National Association who are also members of the local associations would do anything by vote that would injure the Association. The National Association has protected and developed the local associations for the past eleven years—since the organization of the Association at Toledo. It is through the work of the National Association and through the work of the literature distributed by the National Association that this National Association of Credit Men in its local branches has become such a great power in this country, a power which will establish commercial usage and commercial law through all of the states. If anything is done to weaken the National Association in the least, I feel that the local associations would be hurt thereby. I would prefer so far as I am personally concerned, and I believe a large majority will agree with me, that the National Association should be strengthened; that more members of the local associations should become individual members of

the National Association and if possible that every member of local associations (where the houses feel that they can afford it) become individual members of the National Association. (Applause.) All of these seeming discordant feelings would then be swept away. We cannot weaken the National Association. There is nothing that would lead us to believe the National Association would ever attempt to do anything that would weaken the local associations. Therefore, I hope that the views announced by the gentleman will not prevail.

F. W. Risque, of St. Louis—I want to second the voice of Cincinnati in this—not with the idea of stirring up any discord, nor with the idea of weakening the National Association—but in the hope that if a revision is made of our Constitution we will become more like the principal body of a fraternal organization, in which the National Association will simply be representative of all the local associations, as in the Masonic fraternity, where the Grand Lodge is composed of delegates from the subordinate lodges. If we reach that idea I do not see where we will lose any support whatever. Of course, if it would injure the success of the National or a local association, the voice of St. Louis would be against it, and I trust that when this matter is considered we will come to some happy solution by which all will feel they have proper and just rights, and local associations will not feel they have been outvoted—not that I think that at any time there has been any injustice, but I believe, as a matter of proper representation, it should be considered.

T. P. Robbins, of Cleveland—There seems to be no objection in this discussion to the resolution of the committee. It also seems that there is a discussion concerning the fact of voting by proxy and the danger of such a feature as now exists in our organization. The committee would like to have their resolution adopted, and they also had in mind the particular discussion indulged in. They would also suggest that this discussion might be referred to a special committee which we hope will be appointed to consider a revision of our Constitution, in accordance with the recommendation made by our President in his annual report. To sum up, the Membership Committee would like to have the resolutions adopted as they stand, and clear the way at least so far as they go.

Calls for the question.

President Fessenden—Gentlemen, you have heard the question. All in favor signify by saying aye; opposed, no. Resolution carried unanimously.

T. P. Robbins, Cleveland—I move that the incoming President appoint a committee of five.

F. W. Risque, of St. Louis—Mr. President, I would like to amend that to make it three from the local associations and two from the individual members of the National Association.

Amendment seconded.

Motion as amended carried.

President Fessenden—It is so voted, and as the President understands it the incoming President is to appoint a committee of five, three from local organizations and two from the National body.

F. W. Risque—Mr. President, I should have said two members of the National Association who are not affiliated with local associations.

President Fessenden—I think that was understood.

J. A. McKee, of Philadelphia—I only wish to offer a few words in praise of the work of the Membership Committee, and of the genial Chairman thereof, and I wish to congratulate them on behalf of Philadelphia for their noble majority of one. Philadelphia, you know is very, very slow. A year's time will show some vast differences, and we hope

next year to get in ahead. We will take in the whole population if necessary to beat Cleveland. (Laughter and applause.)

David S. Ludlum, of Philadelphia—I think I misunderstood regarding that committee to revise the Constitution. If I understood the gentleman from St. Louis correctly, it is to be two members from the National body who are not affiliated with any local association. Is that correct?

F. W. Risque, of St. Louis—That was my idea, sir.

David S. Ludlum—And three members of the local associations who are not members of the National. I think that is hardly fair, because many National members are affiliated with local associations.

President Fessenden—The resolution has been adopted—unless you want to move a reconsideration.

G. Brown Hill, of Pittsburgh—Pittsburgh wishes to endorse the excellent work of the Committee on Membership.

President Fessenden—The next business is the report of the Committee on Business Literature. It will be read by Mr. Given, the Chairman.

W. A. Given, of Pittsburgh, then read the report, as follows:

Report of the Committee on Business Literature.

To the Officers and Members of the National Association of Credit Men.

GENTLEMEN:—At the last convention four resolutions were adopted pertaining to the work of the Committee on Business Literature. These have been fully carried out. We might mention the copyright on matter printed in the BULLETIN, thus giving us control of the republication of articles, and enabling us to secure proper credit or acknowledgment for the use of the same.

The National Secretary has had such assistance in the publication of the BULLETIN as he has deemed necessary, and in regard to the last resolution requiring your Committee to "furnish the organized and individual membership with literature setting forth the objects of the Adjustment Bureau with such data as might be of value," it was our first intention to use such information as could be obtained in the preparation of a booklet, but investigation showing that the management of Adjustment Bureaus is still in the formative stage, we felt that the time was not opportune for the publication of any definite treatise, but that the matter which has appeared frequently in the BULLETIN on this subject, met the spirit of the resolution. During the year there have been printed 99,700 copies of the BULLETIN, as against 90,300 the previous year. The total expenditure incurred in the publication of the BULLETIN has been \$3,699.17, included in which is the cost of printing, \$3,176.25; cost of mailing, \$362.60, and cost of envelopes, \$160.35. The total expense of the preceding year was \$3,272.34, of which \$958 was for postage, the reduction in the postage item this year being accounted for by the present second class mailing rates.

The cost of printing has been slightly increased by the additional number printed, the extra cost of a uniform cover, the reproduction of photographs of prominent members, and the increase in several issues of the size of the BULLETIN from forty-eight (48) pages to fifty-two (52) pages. There has also been a slightly increased cost in the better grade of paper used. The additional expense in these items seems to have been warranted by the increased attention the publication has received.

Your Committee authorized the opening of a "Want" Department, which can be taken advantage of by both employer and employee. It is

hoped this will prove a desirable feature and be productive of good results. A Legal Department has also been added, bringing to the attention of Credit Men current decisions affecting credit interests.

Prominence has been given to matters pertaining to Legislation, the Bankruptcy Act, Fire Insurance, Adjustment Bureaus and Credit Co-operation.

The leading articles appearing in the BULLETIN during the year were:

"Interstate Chaos,".....by Hon. Wm. H. Hotchkiss.

"The National Bankruptcy

Law,"..... by U. S. Sen. Knute Nelson.

"A Lawyer's View of the Bank-

ruptcy Law,".....by John G. Gray.

"The Bankruptcy Law,".....by E. T. Merrick.

"Bank Credits,"..... by James G. Cannon.

"The Man Behind the Loan," by Wm. Post.

"The Credit Man and the Pub-

lic Accountant,"... .. by Wm. H. Roberts.

"Going to Law,"... .. by Henry A. Jeffries.

"Habits," by Vincent L. Price.

"Uniformity of Homestead

Laws,"..... by Judge John S. Chandler.

Considerable space has been devoted to news of the Local Associations, many of whom keep the National Secretary informed of their meetings and work. It is regretted that all are not regularly represented in its columns, as news of this character is appreciated not only by members of the local association making the report, but it is also of interest to the association at large.

Your Committee sent out a special letter to all the associations bearing on this, and urging the importance of keeping the National Office posted with items for publication. We feel that we cannot insist too strongly on this point, and earnestly ask that those associations who have been remiss will from this time recognize the propriety which the National Association claims in the news of the locals.

During the year there were published 5,000 copies of "Credit, and the Evolution of the Credit Department," by W. A. Given; 4,000 copies of "Interstate Chaos," by Hon. Wm. H. Hotchkiss; 5,075 copies of "Bankruptcy, The Inherent Ally of Commerce and Credit," by Wm. A. Prendergast; 3,000 copies of "The Bankruptcy Law," by Hon. Knute Nelson and 2,050 copies of "A Lawyer's View of the Bankruptcy Law," by John G. Gray. Besides these there have been distributed several thousand copies of "Work of the Credit Men's Association," several of the local associations having had special editions of this booklet prepared for their use.

A new edition of the Constitution and By-Laws has been issued.

The Committee has considered the advisability of reprinting some other standard literature of which the supply has been exhausted, and recommends that a revised edition of "Business Hints as to Business Success" be printed, also a new edition of "Failures and their Causes."

The Committee authorized the reservation of a sufficient number of copies of the BULLETIN for binding a year's issue together to supply the demand which is occasionally made for files of this publication.

In this connection we call attention to a binder which has been prepared for the permanent filing of the BULLETIN which will be furnished by the Secretary at small expense, thus enabling members to keep their files intact and convenient for ready reference.

Your Committee begs leave to offer the following resolutions:

Resolved, That the National Association of Credit Men, in Convention assembled, hereby gives expression to the high appreciation it has of the interest manifested by many Secretaries of our affiliated branches, in promptly supplying the Editor of the BULLETIN with complete reports of the proceedings of their meetings for publication, as said proceedings are always of great interest to the membership at large; and we earnestly request and urge that all local Secretaries make this one of their most important duties.

Resolved, That the Secretary-Treasurer be and is hereby instructed to publish a revised edition of "Business Hints as to Business Success," also a new edition of "Failures and Their Causes."

Respectfully submitted,

L. C. SADD,
JOHN S. DRAKE,
A. D. SALLEE,
T. K. CREE,
W. A. GIVEN, *Chairman*.

(Great applause.)

Mr. Given—I move the adoption of these resolutions.

Motion seconded.

Max Silberberg, of Cincinnati—I presume that a part of the report of the Business Literature Committee refers to the Adjustment Bureaus. A year ago a resolution was offered at the National Convention at Memphis recommending the formation of Adjustment Bureaus; also that territory be assigned to the various bureaus. Through some mistake it was referred to the National Board of Directors. We presumed that the Board would give it due attention and bring in a report. It seems, however, they touched very lightly upon the subject—

President Fessenden—You know there is a special committee on Adjustment Bureaus.

Mr. Silberberg—I will touch upon that, Mr. President. In the annual address of the President it was recommended that a standing committee on Adjustment Bureaus be appointed. It is a very good recommendation and I believe it will carry. For the benefit of the members of that committee, whoever they may be, I wish to say that we now have, as the last BULLETIN shows, twenty-six Adjustment Bureaus. The time is now ripe to apportion the territory to these bureaus. I know of nothing that this Association has done—and it has done some heroic work since its inception—that is of greater benefit and of greater importance than this very subject, and I believe that the members will derive great benefit from such action. Every man is destined to become rich, and those who die poor haven't lived long enough—(laughter)—and so it is with this, we want during our lifetime (at least I am getting to an age where I think that there are not many years before me) to see it done. The younger generation may reap the benefit of all that this Association may do in the future, but so far as I am individually concerned I would like to see the matter disposed of as soon as possible. I would recommend that the committee give serious consideration to the division of territory between each adjustment bureau now in existence, and furnish a chart thereof to our Secretary—

A. H. Burt, of Buffalo (interrupting)—Mr. President, I think that this is entirely out of order. We are simply wasting time. The proper hour to bring this up is when the report of the Adjustment Bureau Committee is made.

Mr. Silberberg—We have no standing Adjustment Bureau Committee. This is the report, and I am speaking on the report of the Committee that the resolution was referred to.

President Fessenden—The report now before the Convention is the report of the Committee on Business Literature.

Mr. Silberberg—Well, they touched on Adjustment Bureaus, didn't they?

President Fessenden—Just a little. I think the point of order is well taken and it is sustained. Any more remarks?

Geo. E. Reynolds, of Pittsburgh—*Gentlemen of the Convention:* I bear a brief message from the fellows we left at home. We felt that you might be interested in what this little message contains. You may know that when we left yesterday an election was going on in our city, the result of which has more than doubled the population of the city. It is needless to say that we are from Pittsburgh. The estimated majority of yesterday's election was 20,000 for greater Pittsburgh. (Applause.)

President Fessenden—Do you wish to be heard further on the resolution?

H. M. Powell, of Columbus—I call for a vote on the resolution.

Calls for the question.

President Fessenden—All those in favor of the passage of the resolution will signify by saying aye; opposed, no. Carried unanimously.

Second resolution read by Secretary Meek as follows:

Resolved, That the Secretary-Treasurer be and is hereby instructed to publish a revised edition of "Business Hints as to Business Success," also a new edition of "Failures and Their Causes."

Motion made and seconded that the resolution be adopted.

Resolution carried unanimously.

Thereupon President Fessenden declared a recess until 2:30 P. M.

FIRST DAY—WEDNESDAY.

Afternoon Session.

Session convened at 3 o'clock P. M.

President Fessenden—*Gentlemen:* I am sorry that there is not a larger number present, and as I really think it is unfair to you gentlemen who have come on time to wait any longer, I therefore call the Convention to order. The first business is the report of the Committee on Credit Department Methods. Mr. Elkus, the Chairman, is a resident of San Francisco, and is not here. The report will be read by our Secretary.

Secretary Meek then read the report as follows:

Report of Committee on Credit Department Methods.

To the Officers and Members of the National Association of Credit Men:

GENTLEMEN:—Your Committee, in presenting this report, does so with a feeling of deep regret caused by its inability at this time to place before you a report which is complete and satisfactory to it. The great calamity which recently befell the city from which this Committee was appointed brought about the destruction of a large amount of correspondence which had passed between the Committee and many members of the Association, as well as the destruction of all data gathered by the Committee, the loss of which is seriously felt. Under these circum-

stances we earnestly hope that you will accept this report in the same spirit in which it is presented.

To members who have favored the Committee with suggestions we offer our thanks for their courtesy and thoughtfulness. Any omission on our part in discussing matters submitted to us is due entirely to circumstances beyond our control.

The regular work of the Committee has progressed smoothly and satisfactorily, and we are able to present a detailed review of the same, obtained from records kept in the National Office.

During the year there has been a continuance of the demand for Association blanks, the figures covering which are set forth in this report. The recommendations of the preceding Committee as to certain desirable changes in the Association's forms have had the necessary attention. Your Committee has expended much effort in improving the appearance of these forms, and believe they have succeeded to a considerable extent. This improvement has necessarily added somewhat to the cost of production, so that your Committee felt warranted in revising the price list for these blanks.

We reproduce the trade inquiry form in its new dress:

(Form A7. 3-06-100M.)

OUR EXPERIENCE.

KEEP THIS FOR YOUR FILES.

Mess..... } New Britain, Conn.....
 } We have.....order, \$.....
 from.....P. O.....

Kindly favor us with your experience and opinion.

Yours truly,

This blank is adopted and recommended by
 the National Association of Credit Men, of
 which we are members.

GOOD, FORM & COMPANY,
 Boots and Shoes.

How Long Sold?

Terms:

Highest Recent Credit, \$.....

Owes \$.....Past Due, \$.....

Pays

Other Information:

.....

.....

.....

RETURN THIS TO US.

Mess..... New Britain, Conn.....
..... We have.....order, \$.....
from.....P. O.....

Kindly favor us with your experience and opinion.

Yours truly,

This blank is adopted and recommended by
the National Association of Credit Men, of
which we are members.

GOOD, FORM & COMPANY,
Boots and Shoes.

How Long Sold?

Terms:

Highest Recent Credit, \$

Owes \$.....Past Due, \$

Pays

Other Information:

.....

.....

.....

During the year the total sales of this form amounted to 154,600 copies. The Committee is convinced that this form is giving general satisfaction to the members using it, a favorable indication of which is the frequent duplication of orders.

In the sale of property statement forms there has been, during the year, a slight increase, as the following figures will show:

SALE OF PROPERTY STATEMENT BLANKS.

		1904-5	1905-6
Form	"A,"	8,500	10,325
"	"B,"	5,250	6,940
"	"C,"	2,775	4,115
"	"D,"	10,375	10,610
"	"E,"	5,400	4,660
"	"F,"	9,950	10,650
"	"G"	2,250	3,100
Total,		44,500	50,400

The stock of blanks now on hand is sufficient for all purposes. To enable necessary changes to be made without delay or loss your Committee deems it unwise to carry too large a supply at any one time. Your Committee would recommend one change in the form of property statement blank now in use, and briefly sets forth its reasons for so doing. The pledging of merchandise and accounts receivable as collateral for cash advances is an everyday occurrence; in fact it is fast becoming a practice on the part of a certain class of manufacturers and jobbers. Companies have been organized to facilitate such transactions. The *modus operandi* on the part of the lenders is to take an absolute assignment of accounts receivable, serving notice of the assignment on the debtor that the amount due is payable to the assignee; or take an assignment and enter into an arrangement with the assignor by which that party becomes an agent of the assignee for the collection of the assigned accounts. Merchandise is accepted as collateral without removal from its place on the shelves, or from the storehouse, the parties to the transaction entering into a mutual agreement as to the manner of disposal. Cases have come to the attention of your Committee where transactions similar to those just described have been overlooked, to the great discomfort of third parties. We believe it would be wise to incorporate into the Association's property statement forms the following inquiry:

"If you have pledged or transferred outstanding accounts or property remaining under your control, state amount thereof and amount received, or to be received, on account of such pledge or transfer."

Liberal use has been made by many members of the Collection Letter Form. According to the records kept in the National Office the use of these letters, on slow accounts, to the amount of \$142,468.28 has been reported. We are, however, unable to give any reliable figures as to the extent of the collections which have been made through the medium of these forms; this for the reason that we are convinced that many of those using the forms have overlooked reporting to the National Office claims which have been settled. In a number of instances advices have been received from those using the form referred to, giving expression to the very satisfactory results which the use of these forms has brought about.

The adoption of rules by the clearing houses of different cities, putting into effect a schedule of charges for the collection of certain checks, has, during the past few months, been the subject of much discussion. It is not our intention to enter into this subject at length, the members being familiar with it, and the Association having, upon several occasions, expressed its opinion by declaring itself favorable to the discontinuance of payments being made with local checks. A resolution on this question, prepared by the Milwaukee Association of Credit Men, is offered in connection with this report.

As a possible means by which the use of local checks may to an extent be overcome, a member has favored the committee with a suggestion that a difference be made in the rate of discount allowed those remitting by checks drawn on par points as against remittances drawn on points coming under clearing house rules.

In closing your Committee will touch for a moment on a subject which in its opinion is worthy of your serious consideration. The patronage of members is continually being solicited by concerns engaged in handling

collections. It is not our intention to discuss the merits of any of the many plans in operation. The Committee is convinced, however, that numerous so-called collection agencies are without responsibility and are operated only in the interests of the promoters. The Committee urges that the members of this Association report to the National Office the names of any collection agencies with whom they had unsatisfactory dealings.

We recommend that steps be taken to secure the passage in the different states of laws requiring the licensing of those engaged in this line of business.

The Committee offers the following resolutions:

Resolved, That the recommendations of the Committee on Credit Department Methods, covering a proposed change in the property statement forms, be and is hereby approved.

Resolved, That the Secretary-Treasurer be and he is hereby instructed to investigate the subject of collection agencies, and report to the Board of Directors a plan whereby the recommendations of this Committee may be carried out.

Respectfully submitted,

W. C. McCLOSKEY,
GEORGE S. NEVIN,
J. J. SCHUTZ,
H. P. CAPELL,
WILLIAM SWARTLEY,
EUGENE S. ELKUS, *Chairman*.

The following resolution is offered by the Milwaukee Association of Credit Men:

Whereas, There seems to be a growing tendency on the part of country merchants to pay their bills with local checks; and

Whereas, The banking institutions have now established a more exacting rate of exchange which is becoming burdensome to mercantile and manufacturing interests; therefore, be it

Resolved, That the National Association of Credit Men agitate the question of exchange on local checks, and render any and all assistance possible in the formation and promulgation of a plan to remedy this unsatisfactory practice.

(Applause.)

President Fessenden—Gentlemen, you have heard the report. What is your pleasure in regard to the first resolution?

It was moved and seconded that the resolution be adopted.

President Fessenden—All those in favor of the resolution as read by the Secretary signify by saying aye; contrary, no.

Resolution was unanimously adopted.

President Fessenden—We come now to the second resolution, which will be read by the Secretary.

The resolution was then read by the Secretary.

President Fessenden—What is your pleasure in regard to that resolution?

It was moved by Lawrence Raab, of Toledo, and duly seconded, that the resolution be adopted.

President Fessenden—All those in favor of the resolution as read by the Secretary signify by saying aye; opposed, no.

Resolution was unanimously adopted.

The resolution offered by the Milwaukee Association of Credit Men was then read by the Secretary.

President Fessenden—You have heard the resolution. Is it moved that it be adopted?

It was moved by J. A. Ely, of Memphis, and seconded by F. W. Risque, of St. Louis, that the resolution be adopted.

President Fessenden—Gentlemen, the question is before you for discussion.

E. L. McClure, of Kansas City—I would like to know what is in the mind of the committee in offering this resolution; as to what they mean by agitation—"agitate the question of exchange on local checks." Do they mean to print this resolution and distribute it to the trade throughout the country?

President Fessenden—The Chair would say that the Committee simply presents this resolution as coming from a local association for such action as this Convention may care to take. They make no recommendation.

E. L. McClure, of Kansas City—I move, Mr. President, that it is the sense of this Convention that this resolution be printed in the BULLETIN (or in some other form) and distributed to the membership of this Association, so that it may reach the members of the Association who are not here.

President Fessenden—You offer that as an addition to the original resolution? Is that seconded?

F. H. McAdow, of Chicago—I have something in addition. Let this resolution take its course before I speak.

President Fessenden—Is the amendment seconded?

F. H. McAdow, of Chicago—I suggest that as amendments are offered to this resolution, that the Milwaukee Association accept them and make them a part of the report. It will thus simplify our procedure.

Oscar Loeffler, of Milwaukee—We will be glad to do that.

President Fessenden—Gentlemen, the amendment offered is accepted by the Chairman of the Milwaukee Delegation. The question before you is upon the amendment.

F. H. McAdow, of Chicago—There is a recommendation in the body of the report to the effect that different rates of discount be proposed by the trade—one rate of discount where the settlement is by local check, and another rate where it is by exchange on points coming under clearing house rules. We have been told that the country check has come to stay; that no amount of agitation on our part is likely to change that condition of things. There are some sections of the country like our own State where it has recently become more of a question than ever before, where the banks have raised the rate of exchange. I think the only way by which we can reach the question, or evil, is by getting at it with a concrete proposition, and not dealing with it in the abstract. Therefore, I offer an amendment in this form: That we recommend to our members and to the trade that in quoting cash discounts they make a separate rate of discount according to the manner of the remittance. If the cash discount is two per cent. ordinarily, quote a cash discount of one and three-quarter per cent. when remitted by local check, and if remitted by bank draft two per cent. This is just an illustration, but make a difference say of one-quarter of one per cent. between the two forms of remittance. That is the gist of the amendment which I offer; it brings it into concrete shape.

Where we shoot for the mark, let us aim for something definite, and not continue to agitate as we have for the past ten years, and as we begin to press it home I think we will get nearer to results.

Frank S. Evans, of Philadelphia—From a theoretical standpoint it strikes me that the suggestion of Mr. McAdow is a good one. From a practical standpoint, however, I think it amounts to nothing, and for this reason: I, of course, do not know the difficulties under which gentlemen labor in other lines of business, but in the dry goods business it is not a question of how much discount we agree to give a man, but how much discount we allow him to rob us of. (Applause.) It is not a question of saying the discount is two per cent. if paid by par exchange, or one and three-quarters per cent. if paid by local check, but he will take the two per cent. and then possibly pay thirty days late and make some extra deductions in addition. So that really I think from a practical standpoint we accomplish nothing in that way. It seems to me if you fix your cash discount you must allow the cash discount to him in any case. Now, if you desire to put a charge on his local check, it might or might not be accomplished. I doubt very much whether you can force him to pay it, except by refusing to receive the remittance unless paid in par or exchange. That is the only way you really can accomplish it, and if you are the only one refusing you are in a very delicate position with that man. Therefore, it seems to be, after all, to my mind, a question, just as the resolution reads, of agitation and education. There are a great many people, who, even though you educate them to the fact that what they are doing is not only illegal but unjust, will never pay. But the great majority of people, after they see a thing is right will pay in a proper manner. The same thing might be said to be true about the proposition I first advanced, that is, the man will only take the discount he is entitled to when you tell him that is what he ought to get. But you draw such a marked distinction at once on the face of your bill that it seems to make it more confusing than ever before in this matter, and it is really a most difficult thing to deal with. To my mind it is a question, at least for the present, of education, unless all the business houses of the country are prepared to insist upon payment by par exchange.

G. Brown Hill, of Pittsburgh—What the gentleman from Philadelphia states would hold in the dry goods line also holds in the electrical line, and I would not be in favor of the proposition as advanced.

J. H. Kentnor, of St. Louis—For the benefit of the members of the Association I will give you a little experience that the St. Louis Credit Men's Association has had during the last five years. We have been fighting the collection charge on checks during that time. The Clearing House in St. Louis about ten years ago decided that they wanted fifteen cents on every small check in certain territories west of the Mississippi River, south of the Ohio, and east of the Mississippi they wanted twenty-five cents on every small check, or one-fourth of one per cent. on everything over the minimum. The St. Louis Credit Men's Association employed a Mr. Halleck, who worked very hard for about two years trying to get the charges reduced. There was a very careful canvass made of all merchants in the city, the canvasser being sent out by the St. Louis Credit Men's Association. Signatures to a petition were secured requesting of the Clearing House that the charge made on personal checks be abolished. The Clearing House acknowledged receipt of the petition and laid it on the table, and that was the end of it. We have taken this matter up two or three times, and I only regret that our Ex-President, L. D. Vogel, is not here to-day, because he has been working on this question. Whenever we sent back a check the merchant would say, "Our check is

good in Chicago. If you don't want it we will send it there." Now the pot is beginning to boil. St. Louis has been at it for ten years. I know that so far as our house is concerned our exchange every year amounts to about eight hundred dollars. That comes out of our pockets and not out of the merchants', because he won't stand for it. I talked with one banker and found that his bank cleared over sixty thousand dollars a year by charging exchange on personal checks. I had business with a small banker, and he gave me his check on his own bank. I asked him why he didn't give me a check on St. Louis, and he replied that the position taken by the banks in large cities has compelled other banks to exact a fee for collecting on checks. He said: "If your bank had not wanted everything for themselves, and had been willing to divide up with the country banks, it would be all right, because if your banks charge you, we charge the banks, in your city, and for that reason they refuse to give you any recourse whatever." That is what our experience has been, and I think it will be yours when you oppose the Clearing House rules. The stockholder or director in a bank who is a stockholder in a mercantile house is carrying water on both shoulders, and dare not say much at the bank directors' meetings, because the bank wants all the money it can make.

David S. Ludlum, of Philadelphia—After reading the last line of the resolution—"Promulgation of a plan to remedy this unsatisfactory practice"—it is my belief we can simplify this matter very much. The collection of out of town checks is a big subject; all the Clearing Houses have devoted a great deal of time to it. I think I see how we can reach the best results, and I suggest an amendment to the resolution, namely, the appointment of a committee to investigate this matter thoroughly. I think it is a matter of co-operation. The merchants and the banks must get together. It is useless for us to discuss any particular plan. But I believe that a committee can accomplish something.

President Fessenden—You offer that as an amendment?

Mr. Ludlum—I do.

A. H. Kaiser, of New Orleans—There are others possibly who desire to be heard on the original motion, and in reference thereto, I wish to say there is a great deal of discussion on the subject that is entirely out of order under the report of the Committee on Credit Department Methods. To begin with, I dare say that every gentleman present as a credit man, the representative of his own individual firm, has had an experience that is individual unto himself. For example, I may say that in my business with my bank in New Orleans I pay no exchange on country checks; therefore, I can say it is a subject-matter of very little importance to me. On the other hand I think that there are a great many gentlemen present who have traveled hundreds and thousands of miles for the purpose of hearing things beneficial to Credit Department Methods, Credit Co-operation, and other matters pertaining to the work of the credit man. There is too much time being devoted to this particular subject. It would be impracticable for us to go to our bankers and state to them that at a convention held on such and such a date it was the consensus of opinion that we regulate their charges, fixed or otherwise, on the country check. I do not think that we ought to leave this assemblage to-day with an autocratic order, so to speak, and attempt to run another man's business. I think the resolution should be tabled.

President Fessenden—Do you make that motion?

Mr. Kaiser— I have no right to make that motion, but if I am privileged I will move to table that part of the resolution. (Applause.)

Motion seconded.

President Fessenden—As the Chair understands the matter, the question before the house is on the amendment offered by Mr. Ludlum, of Philadelphia, and seconded. Do I understand that Mr. Kaiser wishes to table the amendment?

Mr. Kaiser—For the reasons stated, Mr. President.

Motion to table lost.

A. H. Watson, of New York—With all due deference to my friend from New Orleans, and also my esteemed friend from Philadelphia, I am greatly surprised that a man representing a large house should take such a position. If he don't take the check, the other fellow will. We are not here to argue or to make any arrangement for the bank. You can't do it, it has been fixed, and the charge on the country check has come to stay. We will have to submit to it. We can get back in some other way, perhaps, but I will not say I won't take this man's check. You can ask the bank to make changes, but they won't. The country check has come to and agitation will not do a particle of good. I favor the plan suggested by the gentleman from Chicago.

B. E. Borges, of Chicago—I agree in a great many respects with some of the speakers who have preceded me, but I feel a good deal as the gentleman from New Orleans does. We do not all represent our various firms as heads of the concerns, and it appears to me a little inconsistent to come here and vote on any proposition unless especially instructed by the people we represent. Personally, I am in favor of charging exchange if you can get it, and if you can't get it, deal with the customer or with the particular instance in an individual manner. I cannot approve any plan that would commit the Association or its members, and I take it after we have voted that we would be bound by it or else break our pledge. I think that the question of exchange is quite as legitimate a question in any business as your expense account or traveling account; it is made a charge against the cost of your goods if your business is managed in the right way. It may not be put in just those words, but it is a legitimate expense and can be handled by each house as they may see fit. I think as far as this Association ought to go in any of these subjects, or in any subject pertaining to the welfare of the wholesalers, jobbers or manufacturers, is simply to try to improve conditions, but without any specific plan that would involve the entire country. Personally, I think that the persuasive methods that Mr. Evans spoke of are proper. If we can educate the country merchants to send drafts we have accomplished some good, and if we can't manage that, let each house deal with its customers; I do not think that the discrimination in discounts is going to amount to much. When you come to the question of settlement, whether it is a question of exchange or deductions, we might just as well argue that unless our drafts are paid with exchange included that we would decline to accept payment. For my part, I should like to see the original resolution adopted which simply calls for some method of educating the country merchant or agitating the question of exchange to a point where it will benefit us if we can get any benefit out of it. (Applause.)

W. H. Cochrane, of Pittsburgh—I believe that we are entirely out of order in discussing this subject here. It belongs to the Sales Department rather than to the Credit Department. For instance, if we have a salesman who takes an order, he will settle the matter of discount entirely, and we have no right to discuss that question so long as it is passed by the Sales Department, and they have arranged for it. They have a right to say before the sale is made what the condition of the

payment shall be. As credit men, we are simply passing upon the credit of each party, as to whether he is entitled to credit.

J. A. Ely, of Memphis—I heartily endorse what my friend from Chicago has said in relation to that discount proposition. We in the South are dependent upon the small country merchant, and we are glad to get a remittance, and nine times out of ten the discount is never taken. I think the original resolution is the one that ought to be considered by the Convention.

A. H. Burt, of Buffalo—It seems to me that this proposition is more a local one than a National one. In some business centers they charge exchange on country checks, in other business centers they don't make a charge. That being the case the merchants in the business center in which there is no charge made may perhaps have a certain lever over the merchants in centers where there is a charge. Another point: Many of us are in different lines of business. Some of us allow a cash discount of one per cent. in ten days; others, two per cent. in ten days; still others, two per cent. in thirty days. My terms of discount are two off, ten days, at the present time. I am now having a wrangle with a very large concern in one of the Eastern cities which insists that if we continue to sell them goods we must allow them a cash discount of three per cent. on the 25th of the following month. Now it is a question of whether you will permit it as an individual firm, or whether you will not permit it. You must treat the conditions as you find them individually. If they are too exacting, you know the recourse. But with the ordinary country check it is my experience that it is one of the conditions that surround us in the way of competition. It has been stated this morning that competition is the life of trade. It was disputed, I think, in many ways. It is so, because some of my competitors are giving two off in ten days, and others two off in thirty days, or two off the next time the salesman calls. We collect by check, we collect by draft, we collect by salesmen. My advice is, accept remittances made by check and swallow the pill.

J. A. McKee, of Philadelphia—In my opinion the resolution offered by the Committee means anything, everything and nothing—particularly nothing—and it is essential to have an enacting clause added to it, and that enacting clause is met in the amendment offered by Mr. Ludlum, of Philadelphia, referring it to a committee to devise the best means to grapple with this question. It cannot be reported upon until the next meeting of the National Association. Then will be the time when the membership of this Association can accept or turn down any recommendation made by that committee. We are merely wasting time in continuing the discussion. You can see from the individual experiences given how it is now. There is no exchange charged in Philadelphia to a reputable house that keeps a good balance. Now, in Chicago, they do charge. We have an account in Chicago and the bank in Chicago charges us exchange. We could withdraw and do all of our business through banks in other cities. We have had invitations from banks in Buffalo and in Peoria offering to accept our business free from cost if we will deal with them.

Howard Marshall, of New York—I want to speak against the proposition of putting the matter in the hands of any committee. I think it will simply be putting the committee to a whole lot of work, and nothing will be accomplished. I do not think it is within the province of the National Association of Credit Men to make any regulation in regard to exchange on checks. I do not think they can make any requirements which will bind any concern. We must not assume that all goods are

sold subject to a cash discount. Many sales are made without cash discount—absolutely net cash. I simply think we are wasting time, and I believe that any committee appointed to solve this question will waste a lot of time and effort. (Applause.)

President Fessenden—Gentlemen, are you ready for the question? The question is on Mr. Ludlum's amendment.

David S. Ludlum—To carry out the purpose of the resolution I offered the amendment that a committee be appointed to investigate the subject and report to the next annual convention.

Upon vote being taken amendment was declared lost.

President Fessenden—The question now before the house is on the amendment offered by Mr. McAdow, of Chicago. Mr. McAdow will please read the amendment.

F. H. McAdow, of Chicago—*Resolved*, That it is the sense of this Convention that members in quoting cash discounts make a difference of one per cent. (or some proportionate amount) between payment by personal check and payment by bank draft.

Calls for the question.

President Fessenden—Gentlemen, the question has been called for. All those in favor of the amendment say aye; opposed, no. The amendment is lost. The question now before the house is the original resolution offered by the Milwaukee Credit Men's Association. Are you ready for the question?

Calls for the question.

President Fessenden—All those in favor of the resolution signify by saying aye; opposed, no. In the opinion of the Chair the resolution is lost. The next business in order is an address by Mr. H. W. Crabbs, Chairman of the Membership Committee of the Buffalo Credit Men's Association, on "The Adjustment of Commercial Accounts from an Adjuster's Point of View." I take pleasure in introducing to you Mr. Crabbs. (Applause.)

Mr. Crabbs spoke as follows:

"The Adjustment of Commercial Claims from an Adjuster's Point of View."

Mr. President, Ladies and Members of the National Association of Credit Men:

I was somewhat surprised when, a short time ago, I received a letter from our genial Secretary-Treasurer to the effect that I would be expected to deliver an address at this Convention. I have been deeply interested in the work of the National Association of Credit Men ever since its institution, and I have read the addresses given at these Conventions, and have been much impressed with the solid reasoning and brilliant phraseology used by those who have addressed you, and I at once realized that I had something to do in order to give you any kind of an address that would prove partially worth your while in listening to me. I considered a number of subjects which would likely be appropriate to this occasion and believing that the granting of credit and the successful handling of commercial accounts is the paramount object of this Association, and as I am or should be as well acquainted with that feature of commercial life as any other, I therefore submitted my subject, "The Adjustment of Commercial Claims From An Adjuster's Point of View," to our Secretary-Treasurer, and he at once stamped it with his official approval.

This subject is a broad one and admits of a wide latitude in dealing with it.

In a great many commercial houses the Credit Manager and the Collection Manager are one and the same person, and rightly so, in accordance with my way of thinking, for the reason that the knowledge obtained in forming an opinion relative to granting credit to a customer, or how much of a line of credit to extend to him, is always valuable in case that man proves a slow one. I believe the average manufacturer or jobber does not place a sufficient amount of importance on the one who passes on the credits and handles the collections of the customers of that firm, when we consider that, in 1905, it was estimated that manufactured products representing \$13,000,000,000 were turned out of plants representing \$10,000,000,000 of nominal investment with but \$500,000,000 actual cash investment used in handling this vast output, or but about four per cent. What does this mean? It means that about ninety-six per cent. of that great volume of business was done on credit and the men known as the credit men of these different concerns, assumed to their respective firms, the great responsibility of the welfare, or investment if you please, of about \$11,000,000,000 in manufactured articles alone, in one year's business.

I have a great deal of respect for the man whose brain and genius invents and lays before capital the article to manufacture, and I also have a great amount of respect for the man who by his intellect and far-seeing powers, has accumulated or controls sufficient capital with which to make it possible to place such articles on the market. I have, also, a like respect for the man who goes out among the trade and sells these articles, thereby forming an avenue for their consumption and creating a demand; but, gentlemen, I have the greater respect for the man who sits at his desk and uses his brain, tact, judgment and intuition, if you will, all based upon gathered knowledge and experience, and decides to whom the goods and the capital of the plant shall be placed, and under what conditions. (Applause.)

I do not know whether there was anything like credit extended in Biblical days or not, but I am inclined to the opinion there was not, for I believe our Saviour, who does all things well, would have made some mention of credit men in His Sermon on the Mount, when He was listing those who were entitled to be blessed, as is given to us in the 5th Chapter of St. Matthew. It seems to me He would have said something like this: "Blessed is the Credit Man who grants credit wisely, for he shall be considered the light of the world and will surely receive his reward. (Applause and laughter.)

The question, "When does an account become a Collection?" seems to be a point upon which all credit men do not agree. Some say at maturity, some, when anything happens, and others, at once. I am inclined to the opinion that the moment you charge on your ledger a bill of goods against a customer you, also, that moment have a claim against that customer, the handling of which depends upon his future actions and conditions. You grant him the credit based upon his past record and his present financial condition and business reputation. The future is all anticipation and almost anything is liable to happen to that fellow during the next thirty, sixty or ninety days, or six months, and, as he is obtaining your goods and virtually borrowing your money with which to help him do business, he should be willing to protect you in case he should meet with any unforeseen financial difficulties, even prior to the terms agreed upon, when the transaction relative to the credit was made.

I, therefore, believe that this great National Credit Men's Association, comprised of the representative manufacturers, wholesalers, jobbers and financiers in these United States (whose concerted action on any one

point carries with it so much power and influence that the trade must accept) should adopt a uniform agreement on their invoices, setting forth that the terms on the goods are cash; but should the financial condition of the customer not change in the opinion of the creditor and no judgments be entered, or he not transfer his stock or make any changes in his firm, or do anything else that in the opinion of the creditor would jeopardize his credit, then a credit of thirty, sixty or ninety days, or six months, as may be agreed, would be given.

This would mean a great protection to both the creditor and the honest dealer, as it would permit you, as creditors, to declare the account due in case the customer showed signs of being unable to pay at maturity, and you could then begin such legal action as you might deem wise, under the conditions, to protect your interests. I believe if such terms were common, there would be less questionable failures and bankruptcy cases.

I believe terms as above suggested would yield the members of this Association far more benefit than the fund for prosecuting fraudulent failures or any bulk sales law that you may be able to place upon the statute books that will hold; or even the National Bankruptcy Law, with a record of payment of about eighteen per cent. to merchandise creditors. And it would also be a strong inducement to get in as members of the different local associations those who by unity realize that such terms could be enforced and that the dealer must buy the goods he needs of members, if those who make or handle those goods are in the Association; and he also realizes that if he begins to prepare for a failure, he will be detected and he will be forced to, at least, appear honest.

Gentlemen, reflect for a moment on the great power the universal adoption of these terms by the different local associations of credit men would be, together with the adjustment bureaus which are now in working order in twenty-six different cities in the United States. Could the tricky dealer get away from paying his bills or being compelled to turn over his business to your Adjustment Board? And, on the other hand, would not the honest, but unfortunate, dealer be protected by the members of the Credit Men's Association of whom he may be buying, if they declare their account due at the first sign of unavoidable trouble, and take that unfortunate dealer under the protecting care of this powerful association, and keep his business going and adjust his affairs through the medium of the adjusting bureau?

It is to my mind, a feature worthy of consideration by this all powerful national tribunal. The persistency and methods of collecting accounts, must needs vary considerably, and be adapted to the lines of goods handled, whether or not they are staple or special, or goods that remain on the shelf a great while. It goes without saying that the dealer tries to pay his bills on quick-selling goods in preference to those of which he uses very little and does not absolutely need, but which he considers a sort of a side-line. There are, of course, some classes of special goods that are in demand and are controlled by usually one or a few dealers in a town, and the dealer usually endeavors to pay that account. When a dealer gets slow on either of these two classes of goods, my advice to the collection man, is to investigate and do it quick, and get the account into process of collection before the dealer's pride, as to his credit, is stultified and he becomes indifferent and threatens bankruptcy as his relief.

I believe the idea that you lose trade by pressing a slow debtor is erroneous as a rule, for the reason that you can rest assured that he

is generally using the money obtained from the sale of your goods to pay the account of the more persistent creditor, and you are the sufferer.

Another thing that works to the benefit of the delinquent and to the detriment of the creditor, is to permit the delinquent to draw you into controversy, or correspondence, of any nature after you have taken steps to collect the account by means outside of your own office. The dealer in this way often delays action until the account is lost. All argument should cease when your judgment tells you it is time to get the money on any account, for the reason that the average delinquent is an expert in bringing about delays, if he can get you undecided.

You do not take up outside help on an account, only because of two reasons. First, you scent danger; second, there is danger. Therefore the outside resources are appealed to for assistance and they should not be handicapped in any way when accounts are sent to either an adjustment company or attorneys. When you hire a superintendent for any part of your shop or warehouse, you do not say to the man from whom you expect results under that superintendent: "You need not pay any attention to that fellow, he is merely a superintendent, but come to me for your instructions." If you did, you would not get much benefit by having that superintendent in your employ.

Do not send an account to any adjuster or attorney until you are satisfied that he can do you some good, and when you have sent it, keep your hands off, if you want best results.

The adjuster or attorney must accomplish something you did not accomplish and he must do it by a different channel than you pursued and have more inducement qualifications in order to have the resultful weight with the debtor, and the failure of an adjuster or attorney with your account because of interference from you, only tends to weaken his power with that particular dealer, in case he ever gets into contact with him again, either on your, or any other, account. Should the delinquent be able to force an account out of an adjuster or attorney's hands by direct appeal to the client, or by partial remittances, he has succeeded in lessening the collecting power of that adjustment company or attorney, should he ever again have claims against him, and as the adjustment company or commercial department of the attorney's offices exist only by virtue of it being a handmaid to your business, it is, therefore, to the mutual interest of all who expect benefit from that source to strengthen its methods and protect its interests.

Allow the dealer to know that his time of procrastination is past and he must settle, secure or close up.

Collecting after reaching the stage of draft returned is an art; the credit man who controls the policy of the firm should be in touch with the situation, and be able to use diplomacy at all times. When a good man refuses to pay a draft, it may be that some good commercial reason exists and he will write you about it, but when a financially weak dealer so acts, it indicates he may be nearing his finish. After the letters have failed and the drafts have all been returned, it is a question to whom to give it for collection; whether it is best to send it to an attorney direct, or to give it to an agency.

There are several ways to handle claims outside of your office. One is by sending it direct to an attorney located in the debtor's town; the other, by selecting some reliable Adjustment Company, and sending through it.

The average slow dealer in a town owes many creditors, and the creditor who sends direct often acts as a pilot and the attorney receiving the claim notifies the forwarding company, and solicits claims from other

clients, which if forwarded, usually result in all getting in at the finish at the same time.

There is another feature in handling collections that is fast disappearing from offices of first-class manufacturers and jobbers, and that is the deception used in mailing printed dunning letters from their offices bearing the name of some high sounding collecting or credit company, who do no more than print and sell the blanks and whose prowess usually ends by the dealer throwing the notices into the waste basket and having a laugh at the credulousness of the sender of the blanks. Please bear in mind that I do not class with these blanks, the ones that are furnished by the different branches of the Credit Men's Association, bearing the name of the local Association, as I believe these blanks are of much benefit to the user, in getting in careless and short time delinquent debtors, for the reason that the name of the Credit Men's Association stands for something, and the debtor, getting one of the blanks, bearing that name, realizes that the first step has been taken to force collection and that he must pay if he wishes his credit unimpaired among the membership of the National Association of Credit Men.

This beautiful City of Baltimore is the gateway to the South in the matter of Commerce, and as your records show your manufacturers and jobbers placed upwards of \$270,000,000 of goods in the past year the major part of it going into the South, which indicates that the spirit and enterprise of the South still lives, and may it ever live, and may the memory of the valiant deeds of its peerless heroes live on into the fast approaching time, when we of to-day shall forget why North and South disagreed and remember only that soldiers all, Americans all, they did deeds whose like the world has never seen, and opened the way for universal commerce for all time to come. (Great applause.)

President Fessenden—The next business in order is the report of the Special Committee on Credit Co-operation, Geo. L. Pender, of Richmond, Chairman. I take pleasure in introducing Mr. Pender. (Applause.)

Report read by Mr. Pender as follows:

Report of the Committee on Credit Co-Operation.

To the President and Members of the National Association of Credit Men:

GENTLEMEN: That there is a great demand and very apparent necessity for some uniform system of credit co-operation, has been clearly demonstrated by the investigation of your Committee.

Since the period of our last Convention, very satisfactory progress has been made along this line. We are entirely satisfied that the trend is gradually and surely leading to some complete system, yet to be worked out, by which this feature of our local work will be the most powerful and beneficial to be derived from our existence.

As far as our investigation goes, there are now twenty local associations that have organized bureaus for the interchange of ledger experience, viz.: Baltimore, Birmingham, Columbus, Dallas, Fort Worth, Denver, Duluth, Grand Rapids, Jacksonville, Los Angeles, Louisville, Memphis, Norfolk, Portland, Seattle, Sioux Falls, Spokane, St. Paul, Minneapolis, and Youngstown. In most of these if not all of them, enthusiasm is being experienced, as the result of the great benefits that have ensued. The best results accrue to those associations whose members use the bureaus most freely. Six of these bureaus have been organized since our last convention.

The following Associations now have under consideration the organization of credit bureaus, viz.: Cincinnati, Cleveland, Lincoln, Philadelphia, Pittsburgh, Richmond, Savannah, St. Louis, and Wheeling. In some of these, arrangements have almost been completed, requiring only a few details to put them into active operation.

It has been clearly demonstrated that the establishment of these bureaus does not in any respect conflict with the work to be done by such agencies as Dun's and Bradstreet's. Each of them has its separate and distinct work, and when each has concluded its duties, and the information obtained has been combined for consideration, the decision of the credit man should be intelligently and easily determined.

The cost of operating these bureaus is insignificant when compared with the value of the services rendered to the membership, the amount ranging, according to the system followed, from \$12 to \$60 per year. In addition to furnishing ledger experience, some of the bureaus are interchanging other information—such as reporting declined orders; unsatisfactory accounts for other causes than slow pay; the names of any parties from whom they receive inquiries, other than members of the bureau; recording the names of all those from whom they receive signed statements; and many other matters that are of interest in determining the desirability of a risk.

In the course of our investigation we made an effort to obtain full and complete statistics as to the operation of all the bureaus now in existence, but the information we have been able to gather is too imperfect to attempt an exhaustive report, such as we had hoped to make. This incompleteness as to details is due to the fact that the Secretaries or Managers of local associations have failed to keep, or furnish, complete records of the business transacted. We would urge, therefore, most strongly, the great importance of reliable statistics, and emphasize the necessity for their preservation.

This association has, with no uncertain sound, placed itself on record as favoring a most liberal system of reciprocal relations between its members, which fact should incite every local association to at least test a polity that is so strongly recommended, and one that has benefited so many of our members, that they are advocating its expansion.

We, therefore, recommend the formation of bureaus in every market where there is a local association and that the members furnish that bureau with a list of their customers, with the view of enabling every subscriber to that bureau to ascertain in a few minutes, through the Secretary of the bureau, every house in that market handling the account, and to render such other service to each other as will prove of benefit in selecting only desirable risks. We also recommend that the bureaus throughout the country should have some arrangement by which this information could be interchanged.

Our attention has been called to the fact that there is little or no sympathy between the country banks and the jobbing interests. Many instances have been related to us where each has suffered losses that could have been averted had closer, more confidential relations existed between them. Banks in the larger cities, and especially those which have established credit departments, have already realized the value of closer connections with the credit men of mercantile and manufacturing houses. We would, therefore, recommend that the incoming Committee on Credit Co-operation devise some plan that will assist in broadening the views and elevating the tone of those bankers who have not yet appreciated the advantages to be gained by our working a little closer together.

Recognizing the great service that has already been secured by the

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development of this spirit of co-operation in the exchange of ledger experience, and believing that the National Association of Credit Men should continue to support and encourage it, the following resolution is offered:

Whereas, Experience having fully demonstrated the great benefits to be derived by the members of the National Association in the establishment of local credit bureaus for the exchange of credit information; therefore, be it

Resolved, That the National Association of Credit Men, in convention assembled, again places its approval upon and urges the continued extension of co-operation in the exchange of credit information; and be it further

Resolved, That to continue the stimulation of this progressive movement, Article X, of the Constitution be amended so as to provide for a Standing Committee of five members to be known as the Committee on Credit Co-operation.

W. J. CARTER,
E. F. SHEFFEY,
C. L. WHICHARD,
D. H. KIRKLAND,
GEORGE L. PENDER, *Chairman*.

(Applause.)

President Fessenden—You have heard the report. Is it moved that the resolution be adopted?

George L. Pender, of Richmond—I move, sir, that the resolution be adopted.

Motion seconded.

President Fessenden—Any remarks, gentlemen? The Secretary will read the resolution.

Resolution read by Secretary Meek as follows:

WHEREAS, Experience having demonstrated the great benefits to be derived by the members of the National Association in the establishing of local credit bureaus for the exchange of credit information; therefore, be it

Resolved, That the National Association of Credit Men, in convention assembled, again places its approval upon and urges the continued extension of co-operation in the exchange of credit information; and be it further

Resolved, That to continue the stimulation of this progressive movement, Article X of the Constitution be amended so as to provide for a Standing Committee of five members to be known as the Committee on Credit Co-operation.

President Fessenden—What is your pleasure in regard to the resolution? Are you ready for the question?

A. H. Kaiser, of New Orleans—I think before the question is called I would like to say something. The Committee states in its report that it has been clearly demonstrated that the establishment of these bureaus does not in any respect conflict with the work of Dun's and Bradstreet's. Now I suppose there is very much to be said on this subject, and I would like to state as the representative of our Association in New Orleans, that we have a bureau of information. We have an assistant secretary whom we term our commissioner. We pay him fifteen cents for a report. That is in direct competition to Dun's and Bradstreet's. Now, your Committee here states that it will in nowise conflict with the reports of those agencies. We are perfectly willing, and I came here as a delegate for the purpose of offer-

ing the services of the commissioner, to give you a report if you desire it for the magnificent sum of fifteen cents. If we are to co-operate as a National Association of Credit Men, we will co-operate positively against the interest of either Dun or Bradstreet, as a direct competitor. We are conflicting with them. I believe that if we give such information to the representatives of any mercantile house we will give that information in opposition to them; we will give better service; we will give it at a lower cost. I believe that we are here in the interest of our merchants for the purpose of competing with Dun and Bradstreet. The National Association of Credit Men is a body of men organized for the purpose of ascertaining facts, not figures. We give out those facts. If we are called upon for a report upon a certain firm or individual, we state facts, we don't give figures—that is the information, I believe, that the credit man wants, for that fixes and determines the "yes" or "no," whether or not that order is accepted. I see no reason why this resolution should be adopted. We need no special committee of five. The benefits, we know, are derived from the knowledge we have to report. There is no necessity for any of these resolutions being adopted by the National Association. There is nothing for us to go back to our local associations and report. We are doing that work right now. We stand prepared to continue to do it, and I believe that if a resolution were adopted, and when the representatives from other local associations return to their homes and say that the National Association has adopted a resolution requesting every local association to furnish reports for whatever their charges are, if fixed, at fifteen cents, or twenty cents, that it will be gladly done and that we will not hide any facts. I believe that such a resolution adopted here on the floor to-day would serve a stronger purpose than the resolution offered by the Committee on Credit Co-operation.

George L. Pender, of Richmond—I would like to ask the gentleman, if I ask for a report at any point in Alabama or Louisiana, could you give me a full report?

A. H. Kaiser—If we had it it would cost fifteen cents, and our Assistant Secretary would gladly give it to you. But you don't want to come to New Orleans for an Alabama report.

George L. Pender—As I understand it this Association has no idea of going into the mercantile agency business. It is not intended to make a complete report or to give such information in detail as you get from Dun and Bradstreet; it is simply trading—it is an interchange of experience—but not to say how much property a man has and where he got it.

A. H. Kaiser—I want to answer the gentleman. I did not come on the floor for the purpose of assailing either Dun or Bradstreet, but I am convinced that the difference in a great many reports is simply a question of dates.

Frank H. Evans, of Philadelphia—It seems to me we are having a very interesting discussion, but it is not exactly to the point. The gentleman from New Orleans takes exception to the resolution; he says they are running a credit bureau, yet he objects to the resolution which speaks of the great benefits derived from the credit bureaus. He objects further to the fact that the organization places its approval on their work and urges upon others to continue it. I don't see the force of his remarks bearing upon this resolution. It is true what he said about the reports they give in opposition to Dun and Bradstreet probably being of some value, but when he says he objects to the resolutions because they have no bearing on the case, it seems to me he is mistaken in his facts, because if the bureau is a good one, as he seems to think it is, it is perfectly proper for us to say that

experience has demonstrated that fact, and perfectly proper to place our approval upon it, and therefore, I think the resolution a proper one.

W. A. Given, of Pittsburgh—I just want to call attention to an error in the report. It is stated that Pittsburgh has under consideration the formation of a credit bureau. That is something that I had never heard of at home. We are thoroughly in favor of such co-operation, but have never yet seen our way clear to establish a bureau. I am not opposed to the spirit of this resolution.

W. P. Peter, of Dallas—I am not interested in Dun or Bradstreet financially, and I say that it has been clearly demonstrated that they do not conflict with the work of our bureaus. Ours is only an adjunct to the information which we derive from Dun and Bradstreet. These organizations are the result of half a century of labor, and we cannot hope to displace them nor the benefits that we derive from them, but we can by joining together in this spirit of credit co-operation accomplish a great deal that will benefit each of us individually and collectively, and I heartily support the resolution offered by the Committee.

Howard Marshall, of New York—I think this is a splendid report, and I think we should adopt the resolutions. I believe the gentleman from New Orleans simply does not understand the meaning which the Committee has intended to convey in the report. He objects to that part of it which states that it will not conflict with Dun's and Bradstreet's. They simply mean that it will not belittle the work of Dun's and Bradstreet's; that it will not render Dun's and Bradstreet's work any less efficient. We can't do business without the mercantile agencies; we must have them. This credit co-operation is in addition to them and it is going to be helpful to us in the conduct of our business. I very heartily approve the resolution.

Calls for the question.

President Fessenden—Gentlemen, the question is on the adoption of the resolution. All those in favor will say aye; opposed, no. The resolution is adopted unanimously. The next business is the report of the Committee on Investigation and Prosecution, Mr. David S. Ludlum, of Philadelphia, Chairman. Mr. Ludlum, gentlemen. (Applause.)

Report read by Mr. Ludlum as follows:

Report of the Committee on Investigation and Prosecution.

To the Officers and Members of the National Association of Credit Men:

GENTLEMEN:—The Committee in charge of the Association's Investigation and Prosecution affairs presents at this time an account of its stewardship, in the form of a detailed report, covering as briefly as possible the matters which have come before the Committee during the past year. First, let us review the Committee's action regarding the unfinished cases which were taken up by the Association under the auspices of its prosecution fund. In the report presented by the Committee of last year mention was made of four unfinished cases, viz.: I. Wiener & Co., Arthur M. Felson, Jacob Kahn and H. Lind. The Committee can report having disposed of the Kahn and Lind cases. In the Kahn matter a discharge in bankruptcy was denied and the Committee being unable to secure the indictment of Kahn on the evidence in its possession decided to take no further action.

In the matter of Lind the Committee, in view of his disappearance, discontinued further investigation.

The condition of the Wiener case is practically unchanged as against the report of last year. Wiener is a fugitive from justice and is liable

to remain so unless an adjustment of his affairs can be brought about. That the creditors have faithfully stood their ground in this case is best evidenced by their rejection of two separate offers of settlement.

In 1902 the Association undertook an investigation into the affairs of Arthur M. Felson, a jeweler doing business at Gouverneur, N. Y. Interested in this case also was the Jewelers' Board of Trade, and it is with satisfaction that your Committee mentions the cordial support received by it from that source. More or less prominence has in the past been given to the Felson case; your Committee will therefore only refer briefly to the principal points and advise you of the present status of the case.

The Association secured evidence sufficient to bring about the indictment of Felson for an offense against the Bankruptcy Law. In the latter part of June, 1905, Felson was tried under the indictment, the jury disagreeing, and the defendant is now under bail awaiting another trial. Before passing from this case the Committee will present a statement of facts which will illustrate the trying difficulties it has labored under in its effort to dispose of it. Having reached the point where the case was placed upon the calendar your Committee was then informed that the prosecuting officer would be unable to present the case and that if it was to be tried it would be necessary on the part of those interested to enter the case and conduct the prosecution. Your Committee conferred with the Jewelers' Board of Trade and it was decided to engage counsel and this was done. The trial opened with the Government represented by attorneys retained by the two interested organizations.

The entire case for the prosecution was conducted in an intelligent and capable manner by these attorneys, and the Committee regrets to report that the result was as before stated.

Following this, immediate steps were taken to secure another trial. The efforts of your Committee finally resulted in the case again being placed on the calendar. In preparing for the second trial your Committee caused a communication to be addressed to the proper official requesting his assistance. Thereupon the case was promptly stricken from the calendar, and has not again made its appearance. The expense of handling this case has been of a considerable amount, the interested parties being obliged to assume the payment of the fee of those retained in behalf of the prosecution. A determined effort will again be made to secure Felson's conviction.

During the year a number of new cases have been placed in the hands of your Committee. In some instances the cases have been referred to the local associations who, through their Adjustment Bureaus, have been able to secure the co-operation of creditors. In this manner several cases of fraud were uncovered, in each of which criminal prosecutions have been undertaken.

Your Committee is of the opinion that the chances of success in the prosecution of fraud is greater where it is possible to handle such cases through a local association. Through Adjustment Bureaus the machinery is provided for a quick and thorough investigation of all insolvency cases. In several cases coming to the attention of your Committee the facts reported warranted the effort of undertaking a prosecution; in such cases the Committee has secured, so far as possible, the co-operation of the creditors; your Committee in these cases has assumed the payment of a part of the expense.

One case has so far resulted in the indictment of the parties to the fraud, with the prospect of an early and satisfactory trial. Your Committee has encouraged and aided the associations at Philadelphia

and Pittsburgh in prosecuting what may well be termed a notorious case, the successful prosecution of which will have a lasting effect. Your Committee has maintained an interest in a case now before the Courts of Vermont, in which the validity of a so-called verbal chattel mortgage is being contested.

A number of the local associations have established bureaus for the prosecution of fraud cases, providing such bureaus with the necessary funds, thereby enabling the work to be carried on quickly, thoroughly and without embarrassment.

Among other matters coming to the attention of the Committee have been the operations of several individuals reported as scheming to obtain merchandise on credit without the slightest intention of paying for the same. It is unnecessary to set forth the details, the Committee contenting itself with the statement that publicity has been promptly given to each individual case. These cases have also been brought to the attention of the Post Office Department, from which source the Committee has received assurances of support in their effort to root out such nefarious operations. In summing up, your Committee presents these conclusions: That there has been a marked decrease in commercial fraud during the years in which the National Association of Credit Men has carried on its warfare against fraud and chicanery; that more interest is being shown by officers of the law in the prosecution of cases brought to their notice, due, no doubt, to the knowledge that the Association will not attempt to use the machinery of the courts for collection purposes; that through the Association's legislative work better means have been provided for reaching and punishing fraud. Many other organizations, encouraged through the position taken by our Association, have actively engaged in making the way of the transgressor hard.

Your Committee urges continued activity in this work; let us maintain the position we have secured, and continue the application of the "big stick" to the backs of those who attempt to defraud the merchants of this country.

Your Committee offers the following resolution:

Resolved, That the National Association of Credit Men, in convention assembled, emphasizes its unalterable opposition to commercial fraud, and as a means whereby such fraud may be entirely stamped out, urges upon its members the necessity of a careful and searching investigation into all insolvency cases.

Respectfully submitted,

JOSEPH MARKS,
DAVID H. BROWN,
H. M. POWELL,
L. J. KADESKI,
DAVID S. LUDLUM, *Chairman*.

David S. Ludlum, of Philadelphia—I move the adoption of the resolution.

President Fessenden—The adoption of the resolution is moved. Is it seconded?

Hugo Kanzler, of New York—I do not believe that we have changed our position as to commercial frauds, and why we should emphasize it and say we are unalterably opposed I don't know. I think it may be well to drop out those words, and I move that we strike out the words after the word "assembled" commencing with "emphasizes," and including the words "stamped out" in the following line, and move as an

amendment that there be inserted after the word "assembled" the following: "That where there are any evidences of fraud measures be taken to cause the prosecution of the guilty persons." I see no good reason why we should say that we intend now or in the future to change our course as to prosecuting commercial frauds. It appears from the wording of this resolution that there is a likelihood that in the future we may change our course, and I wish to emphasize the fact that we do not intend to change our course of prosecuting commercial frauds.

Motion to adopt seconded by Howard Marshall, of New York.

Request made that the Secretary read the resolution as amended.

The Secretary read the resolution as amended, as follows:

Resolved, By the National Association of Credit Men, in convention assembled, that where there are any evidences of fraud, measures be taken to cause the prosecution of the guilty persons, and urges upon its members the necessity of a careful and searching investigation into all insolvency cases.

David S. Ludlum, of Philadelphia—The Committee will accept the amendment.

President Fessenden—The Committee accepts the amendment, so that the resolution is as read by the Secretary. Are you ready for the question?

Calls for the question.

Resolution adopted.

President Fessenden—The Secretary will make some announcements.

Secretary Meek—The Wisconsin delegation will please meet in Room 19, second floor, immediately after the close of this session.

Delegates will kindly hand to the Secretary the names of parties agreed upon to act as State Chairmen.

The State Chairmen are appointed for the purpose of calling the different delegations together; that is, the different State delegations.

The Philadelphia delegates are requested to meet in Parlor D, at the close of this session.

A number of requests reached the National Office that some opportunity be given for the exchange of views on the part of the Secretaries or the Managers of Credit Bureaus. These requests were placed before the Chairman of the Committee on Credit Co-operation and he instructed me to issue a letter to each local organization asking them to designate some member of their delegation to attend a special meeting, where an exchange of views could be participated in. I have received the following names:

Atlanta—D. H. Kirkland.

Boston—A. E. Clark.

Cincinnati—W. E. North.

Cleveland—W. F. Lyon.

Columbus—F. E. Huggins and W. C. Jaynes.

Dallas—S. J. Howell and W. P. Peter.

Denver—Karl K. Mayer.

Jacksonville—R. V. Covington.

Kansas City—John L. Powell and Sam H. Smith.

Los Angeles—W. C. Mushet.

Lynchburg—N. B. Handy and E. F. Sheffey.

Memphis—S. N. Castle.

Milwaukee—R. D. Barney.

Nashville—H. L. Sperry.

New Orleans—A. H. Kaiser.

Norfolk—M. E. Forbes and W. H. Fearing.

Philadelphia—F. D. Sweeten.

Pittsburgh—A. R. Darragh.

Richmond—Geo. B. Wilson.
Rochester—C. S. Bradt.
St. Joseph—S. Woodson Hundley.
Savannah—Oscar S. Kulman.

The Chairman will be pleased to meet these gentlemen in this room at the close of the session.

The Committee on Nominations will meet at 9 o'clock to-morrow morning in Parlor E. The Chairman of the Committee, Mr. Harry New, sends an announcement to the desk, with the request that delegations having candidates to place in nomination present themselves in Parlor E at 9 o'clock to-morrow morning. There are four members of the Board whose terms expire this year.

All delegates from Missouri are requested to meet in the committee room, near the office, immediately after adjournment.

The Pittsburgh delegates are to meet in Parlor F at the close of the session.

The Chair recognized Mr. Risque, of St. Louis.

F. W. Risque—Mr. President, could I have one word? I fear there may be some confusion about the Committee on Revision of the Constitution. I do not believe in tying anyone's hands, and I am afraid it might be somewhat difficult for you to arrange that Committee satisfactorily. I proposed, at the instance of a friend of mine—one of our delegates—that the Committee be composed of three from the local associations and two members of the National Association who are not members of local associations. There may be some difficulty in making that committee.

President Fessenden—Mr. Risque, you move to reconsider?

F. W. Risque—I move to reconsider.

Motion seconded.

Motion to reconsider carried.

F. W. Risque—I move that the committee be appointed at the pleasure and discretion of the Chair.

Howard Marshall, of New York—I very heartily second that motion.

Vote taken, and motion carried unanimously.

F. W. Risque, of St. Louis—I omitted my opportunity under the report of the Committee on Credit Department Methods, and I now wish to offer a resolution, first stating that I heard Mr. Shoemaker describe the evolution of credit department methods. We know what it is now in comparison to what it was at the time referred to by him; we know, also, that there is a lack of uniformity in credit department methods all over the United States; we know, also, that the literature on that subject is unsatisfactory; we know, also, that there could be great improvement and unification; we know, also, that the development has come from either personal intercourse or intercommunication between the members. In view of this I would like to offer the following resolution, if the Secretary will read it.

Resolution handed to Secretary Meek, who read as follows:

WHEREAS, The development of commerce has necessitated simple, yet comprehensive methods in accounts and office machinery; and

WHEREAS, The methods now generally in vogue are the result of many years of gradual development by practical experience and interchange of ideas; and

WHEREAS, Without doubt there are used in certain establishments short and labor saving methods unknown to others, knowledge of which would benefit not alone the experienced, but be of incalculable advantage to the younger element of credit men; and

WHEREAS, Such information is eagerly sought and would not only prove a strong incentive to large and well attended meetings, but in great measure unify and standardize the machinery of the Credit Department; therefore be it

Resolved, That greater consideration be paid to that clause of our article of Association relating to methods, to the end that each local association be requested to encourage regular discussion, during the ensuing fiscal year, of the most approved methods in handling papers, securing and tabulating information, watching maturing and matured accounts, making collections and such other questions as may be pertinent; that each local association, through its Methods Committee, forward such articles as may be prepared, to the Methods Committee of the National Association, for their consideration.

Seconded.

President Fessenden—Under the rules, gentlemen, this resolution should go to the Committee on Resolutions, unless presented at the time of the discussion. By unanimous consent, however, the Chair will allow it to go before the meeting if it is so desired.

Motion made that it be referred to the Committee on Resolutions.

Motion seconded and voted upon.

President Fessenden—It is so ordered. We shall be glad to hear from any member who has anything to say of interest to the Association.

J. Harry Tregoe, of Baltimore—*Mr. President and Gentlemen:*—

President Fessenden—Pardon me, I just want to say one word, and that is, that you are limited to three minutes.

Mr. Tregoe—*Mr. President and Gentlemen:* I have been itching to say something to-day. I just have one suggestion to make, and I have waited for this opportunity to present it. It has been my good fortune to watch the development of this work with a critical eye since its very inception, and I want to say that it is one of the remarkable things of our commercial life that this organization has within one decade won such power and such a distinctive, substantial bearing. I am convinced that whereas in times past we did not have to exercise such caution in the selection of our Board, but now that our numbers are so large we must be cautious, for a mistake in judgment would be very difficult indeed to overcome. I am, therefore, convinced that, representative as we are, and believing firmly in rotation in office, with the traditions that have surrounded us, that a term of three years is too long for a directorship. I believe that beginning with 1907 (because we cannot alter our Constitution at this Convention, we can simply look forward to the next one) that the Directors should not be elected for a longer period than two years. This is work, gentlemen. I want to say to you with the greatest candor, and with the most confident assurance, that this work, of which you can be justly proud, and the official positions in our organization are something that should be looked upon with a very jealous eye. Therefore, having so many new men, branching out as we are into new fields, developing men as this Association has developed them, we must give everybody who is entitled to it a chance to assume some of the responsibility. Three years is too long. I did not have an opportunity to draw a formal resolution, but in order to get the opinion of the members on the subject, I move that it be the sense of this meeting that, beginning with the year 1907, our Constitution, in that portion relating to the Directors, should be so modified or amended that the Directors will not be elected for a period longer than two years. (Applause.)

President Fessenden—Under the rules that resolution will go to the Committee on Resolutions.

W. A. Prendergast, of New York—I understood my distinguished friend from Baltimore to say that under our rules an amendment to the Constitution could not be operative, or would not be operative, until 1907. Am I incorrect, Mr. President, in believing that an amendment to the Constitution may be adopted by this Convention, and, if ratified by the annual meeting of the Association, on the last Tuesday in June, will not commence to immediately operate?

President Fessenden—That is the understanding of the Chair as to the Constitution.

W. A. Prendergast—So that my dear friend Mr. Tregoe may propose his amendment now and, if carried by this Convention, it can go into effect as of this coming year.

J. Harry Tregoe—Mr. President, I may not have stated it clearly, but that is what I understood, that the amendment adopted here—the resolution—and then confirmed by the Association at its annual meeting, would become operative at the next Convention.

W. A. Prendergast—I think it becomes immediately operative under the Constitution. The Constitution says “if adopted by the Annual Convention.”

President Fessenden—The Secretary will read that portion of the Constitution.

Secretary Meek—“This Constitution may be amended by a two-thirds vote of the members present and voting at any annual meeting of the corporation, provided such amendments have first been approved by the Annual Convention just preceding.”

J. Harry Tregoe—Then it would not be operative until next year?

President Fessenden—Oh, yes, it would, sir.

J. Harry Tregoe—Mr. President, we adopt the amendment now, you understand, and under that amendment we can't elect for two years this year, can we?

President Fessenden—The election takes place prior to the meeting.

J. Harry Tregoe—That is what I mean. We can't change the mode of election until 1907, can we? In 1907 we can, but not at this meeting.

Mr. Prendergast—I am very much in favor of the proposition suggested by Mr. Tregoe, and believe that the change, if made at once, is a desirable change. There seems to be some misunderstanding as to what the Constitution really means. Now, this is the Annual Convention, but the annual meeting of the corporation (this being an Association organized under the Associations law of the State of New York) takes place on the last Tuesday of this month. No action of this Convention is binding upon the Association as a corporation unless ratified by the meeting of the corporation on the last Tuesday of this month. If you will read the minutes of the corporation you will find that at this meeting held on the last Tuesday of June in each year the officers are elected, and other actions taken by the Convention just preceding, meaning the Convention held only two weeks previous, are ratified. Our action as a Convention, while of course it is determining upon the administration, is only an advisory action. It is not binding upon the corporation until ratified by the meeting of the corporation. Therefore, our year as an Association really only commences with the annual meeting of the corporation on the last Tuesday in June, and you can change your Constitution to-morrow or the next day and

decide that you will elect your Directors hereafter for only two years, and when the annual meeting of the corporation on the last Tuesday of June—pardon this repetition—confirms the action taken by this Convention, it becomes operative from the instant that that action is taken at the annual meeting of the corporation.

Wilmer L. Moore, of Atlanta—You use the term "corporation." Do I understand by that that every act of this Convention goes before the corporation, or before the meeting, to be ratified before it becomes a law?

President Fessenden—The Chair is not sufficiently informed to answer that, but all legal questions must go before the corporation. We are organized and operating under the laws of the State of New York, and the corporation must at its annual meeting elect officers and go through certain legal processes, and file a statement with the Secretary of State at Albany.

Mr. Tregoe—I think I can answer the question. Any action taken by this body in convention is not binding upon the National Association of Credit Men until endorsed and approved by the corporation at its corporate meeting in New York City.

Question—Who is the corporation?

Mr. Tregoe—The corporation is the Association itself.

Question—Who are the officers of the corporation?

Mr. Tregoe—The officers you elect.

Question—Then it is necessary for the corporation to ratify our election of officers of the corporation before they are officers?

Mr. Tregoe—It is necessary under our corporate existence as an Association under the incorporation laws of the State of New York, that we hold an annual meeting in that State. That annual meeting falls on the date specified by Mr. Prendergast. At that meeting the corporation, represented by the officers and by the proxies which will be gathered, endorses and ratifies the action that we take here; then it becomes legal and binding under our corporate existence.

Question—If the present officers of the corporation do not see fit to ratify the action of the Convention then, as I understand it, the action of the Convention would be null and void?

Mr. Tregoe—I would say, yes. Am I right Mr. Prendergast?

President Fessenden—No.

Mr. Prendergast—I must say that you are not, if you ask me.

Mr. Tregoe—Permit me, then, to refer the matter to Mr. Prendergast. Now that we have come to that point, the gentleman from New York, who was so long our secretary, is perhaps better able to enlighten us, though I am sorry to acknowledge it.

Mr. Prendergast—Mr. President, permit me to express my very great regret that after two years of persistent, studious and unremitting attention to Mr. Tregoe's constitutional education, he should know so little of the question at this particular time! (Laughter). The meeting of the corporation must be held upon the day we have stated. In order that there shall be a meeting of the corporation, notices must be sent to all the members of the National Association of Credit Men, and such notices have always been sent. Mr. Secretary, you are in the habit of sending those notices every year, are you not?

Secretary Meek—Every year.

President Fessenden—The law compels it.

Mr. Prendergast—The law of the State of New York and the requirements of our own by-laws require him to do it. On the last Tuesday of June the President and the Secretary, and as many members as can

possibly attend the meeting, assemble in the National Office, being called to order as the law requires, and the minutes of the last meeting are read, and the proxies put on record. The President submits his Annual Report, the same as he has submitted here to-day, and it goes upon the minutes of the annual meeting of the corporation, and the Treasurer must by law submit his report, and it goes in the minutes of the annual meeting. The election of officers is then held. Now, it is all done in the name of the law, under form of law, and it must be done as long as we are organized, as we are, under the laws of the State of New York. I believe the same condition of affairs would exist were we organized under the laws of any other state. There has been no occasion on record, I believe, where the annual meeting has abstained from or refused to endorse everything done by the preceding Convention, except on one or two occasions. Three years ago, I believe, at St. Louis, a motion, or rather an amendment to the Constitution raising the per capita dues to four dollars was passed by the requisite constitutional majority of two-thirds, but in the meantime, before the annual meeting was held, there was considerable dissent from the conclusion of the Convention. Believe me, gentlemen, there were some who had the temerity to attack the action of your Convention, and through the efforts of my good friends from Boston, who industriously circulated a petition, to be sent to the annual meeting, asking us not to endorse this change to four dollars, that question was laid aside, and was explained in the next annual report submitted by my handsome friend from Baltimore! The only thing that is not handsome about him is his constitutional knowledge! (Laughter.) And last year, gentlemen, although you in Convention similarly decreed that your Conventions hereafter should take place in the month of May, the annual meeting decided, and wisely I believe you feel now, that it was not proper to make the change at this particular time. If there were no corporation or no annual meeting to pass upon this question, it would have been mandatory upon your Board of Directors to have called the Annual Convention of this Association this year in the month of May, because you had so decided; but the corporation, which must finally pass upon all these questions, did not ratify that action in that regard, and I believe that you now approve of its course. Now, that is the method that you must follow in order to conform to the law, and you can decide now upon anything you like, but it must, in order to be legal, be ratified by the annual meeting, and the change will become operative at once, if ratified by the meeting the last week in this month.

Mr. Tregoe—Mr. President, I trust that the gentleman who asked the question will realize from the statements made by our former Secretary that my statement to him was absolutely correct. (Cries of "Right!" "Right!" and applause.) I may be defective in my constitutional knowledge, as our worthy Ex-Secretary has put it, but thanks to his good training I have not yet lost any of my good common sense! (Laughter.) You see from the statements made to you, as evidenced by the incidents related, one of which gave me as your Executive a great deal of thought, that any action taken in this body must be acted upon by the corporation, but if not confirmed in that corporate meeting it will be inoperative. When we raised the *pro rata* dues to four dollars at St. Louis, and in the interval between the Convention period and the corporate meeting it was found that the sense of the Association was opposed to it, we did not endorse that action, and the action of the Convention was inoperative; it was never put into force. Now, I am glad for your sakes that Mr. Prendergast thought I was in error, because it gave you an opportunity to dwell upon his brilliant oratory! (Laughter and applause.) Let us be careful to say to

him, as I have often said to him when we worked in the harness together: "Think, sometimes, Mr. Secretary; if you don't, we will both go wrong!" (Laughter and applause.)

Hugo Kanzler, of New York—I think it might be well to let this matter rest over until to-morrow, so as to give the Chair and Secretary ample opportunity to look into this constitutional question. These constitutional lawyers apparently are not well read-up, and I think it might be well to postpone the matter and assist the Chair to get over his troubles.

Howard Marshall, of New York—I have no desire to enter into a constitutional controversy in which I am unqualified to take part, but it seems to me that we would hardly know what we are doing when it came to the question of electing Directors. We are going to hold an election and elect Directors for three years now, and the proposition has been made that the term of office hereafter shall be two years. Suppose the corporation at this meeting fails to ratify that resolution, are we electing directors to-day for three years or for two years? Perhaps some one can state the answer.

John L. Powell, Kansas City—I should say that as the resolution will not become effective until ratified by the Board, that any Directors elected before the meeting of the corporation will be for three years. I do not see how it can be otherwise.

Mr. Tregoe—We elect Directors at this Convention for three years. If we adopt the amendment in 1907 we would elect for two years.

F. W. Risque, of St. Louis—Doesn't it resolve itself into this: That the Secretary with his proxies and one or two of the members who happen to come in, could absolutely pass any rules or laws and do anything they pleased?

President Fessenden—Do you ask that of the Chair? If you don't like sending in a proxy you ought to be there in person to look after your own interests! (Applause and laughter.)

N. B. Handy, of Lynchburg—As I understand it, the meeting of the corporation has no rights whatever; it can simply ratify what we as a body do.

President Fessenden—The Chair might state that the formation of the corporation was to get it into such shape that all you gentlemen would not be personally liable for the debts of the concern. (Applause and laughter.) "And a lot of damage suits," the Secretary says.

Howard Marshall, of New York—I am heartily in favor of the resolution which has been offered by our distinguished friend from Baltimore. As I understand it, Mr. President, you said that it would not be in order to consider that resolution now, but, under the rules, it would have to be referred to the Committee on Resolutions. If that be true, I move you that the rules be suspended, and that we take immediate consideration of the resolution offered by Mr. Tregoe.

Motion seconded.

Voted upon and carried unanimously.

President Fessenden—The matter is now before the Convention for such action as it desires to take.

J. H. Lempert, of Rochester—Do I understand that Mr. Tregoe's resolution is before the house?

President Fessenden—It is, sir.

Mr. Tregoe—I offered the resolution. It is:

Be it Resolved, That it is the sense of this Convention that the article in the Constitution bearing upon the election of Directors, be so amended that, beginning with 1907, the Directors be elected for a period of two years.

President Fessenden—That motion has been seconded and is now before the House.

W. A. Prendergast, of New York—May I ask Mr. Tregoe: Why not propose an amendment to the Constitution now, providing that Directors elected at this meeting and hereafter shall serve for a term of two years?

President Fessenden—Do you offer that as an amendment?

Mr. Prendergast—I would rather have Mr. Tregoe accept it.

Mr. Tregoe—Mr. President, we will settle this down stairs, you know! (Laughter and applause.) If he continues this, I am going after Mr. Ludlum's big stick! Really, I may be entirely wrong in this matter, but I can't see, under our Constitution, how we can possibly elect our Directors at this Convention for two years. Let me explain to you. Up until the Cleveland Convention, and including the Cleveland Convention, we elected our Directors for one year. At the Cleveland Convention an amendment to our Constitution was offered that we rotate from that period one, two and three years, and that the Directors would be elected for three years. That motion was carried, but it did not become operative until the following year, when we met at Louisville. You remember that, Mr. Prendergast?

Mr. Prendergast—Right.

Mr. Tregoe—My memory is good if my constitutional knowledge is not! (Laughter.)

Howard Marshall, of New York—I must apologize for taking so much of the time of this Convention, but I have not taken quite so much time as our friend from Baltimore. You gentlemen seem to have forgotten, while listening to the two orators of this occasion, that a committee is to be appointed by the President to make a revision of the Constitution. Now it might be well to leave this matter entirely to that committee. If our Constitution is to be revised, why not let us revise it all at once?

Mr. Prendergast—I will second Mr. Marshall's idea, but I would like to say this: I do not wish to be too persistent, but I think this thing can be done. There is a difference between the resolution or amendment passed at Cleveland and the situation as we are discussing it now. I think if Mr. Tregoe will recall, that he will find that the Committee on Resolutions which proposed that amendment at Cleveland made its report subsequent to the time when the Directors were elected, and that the report of the Committee on Resolutions was one of the very last pieces of business transacted by that Convention. Now, I will concede that if we were to elect our Directors on Friday before an amendment to the Constitution were adopted making the term two years, that it would not be feasible. In other words, we would have to elect them for three years. But when you are passing the amendment to-day, before any election is held at all, if you adopt that amendment then it becomes a law from the time that you adopt it. Now, we have four Directors, I believe, whose terms will expire in one year, and three whose terms will expire in two years. Consequently there can be no conflict. You elect four for two years at this Convention, and provide in your amendment that this change only becomes operative as far as those elected at this Convention are concerned. Next year the four men who retire will be succeeded by others elected for two years, and two years from now eight will retire and their successors will be elected for two years. My only desire is to see the change take place right away, and I believe it is possible to make the change.

A. L. Rosenaur, of Baltimore—I move that this matter be referred to the Committee on Resolutions.

Howard Marshall, of New York—There is a motion before the house.

President Fessenden—The question is on the original resolution. Gentlemen, are you ready for the question, on the adoption of the resolution? Do you want it read?

Secretary Meek—As I understood Mr. Tregoe's resolution, it was to the effect that it be the sense of this Convention that on and after and including the election of 1907, the Directors be elected for two years instead of three.

Vote taken, and resolution carried unanimously.

Secretary Meek—I wish to announce the substitution of Mr. J. M. Owen for C. B. Nordeman on the Conference Committee on Credit Co-operation.

All of the delegates from the State of Tennessee are requested to meet in Room 334, on the tenth floor, immediately after the adjournment of this meeting.

President Fessenden—Before we adjourn, gentlemen, may I ask you to please be here as near ten o'clock to-morrow morning as possible. It is a short session, and the arrangements made by the Entertainment Committee are such that we must be prompt, and leave here at a quarter after one, and we cannot do it unless we get through with the work.

Howard Marshall, of New York—I move that we adjourn.
Seconded and carried.

SECOND DAY—THURSDAY.

Thursday, June 14, 1906.

Convention called to order at 10.20 A. M., by President O. G. Fessenden, of New York.

President Fessenden—Prayer will be offered by the Reverend Dr. Rosenaur, of this city.

Rev. Dr. William C. Rosenaur—Almighty and Eternal God, Thou hast created this universe, and Thou governest it; Thou art the source of our life and the fountain of our strength; what we are, we are through Thy kindness, Thy help, and Thy wisdom; all the progress we achieve as individuals and as nations we achieve with Thy guidance and Thy direction, and as we contemplate what our people have become and the station at which our country has arrived in their onward march, we recognize the might of Thy Divine hand. We thank Thee for the blessings Thou hast vouchsafed into us in unstinted measure; we thank Thee for the harvest with which Thou hast blazed our fields, the extension of our industries, and the enlargement of our commerce; and as we give expression to our deep-felt gratitude, may we be thought the worthier by Thee to enjoy the continuance of Thy benefactions.

Heavenly Father, help us to grow from strength to strength, to achieve still greater influence and greater power in the parliament of nations, and, as Thou grantest these Thy blessings unto us, couple with these blessings in our souls a deeper and keener appreciation of the sense of honesty and integrity, mutual helpfulness, kindness and

love so essential not only in the making of the individual man but also in the creation of the ideal humanity.

Prosper this organization, which stands for benevolence, for protection, for assistance, for wisdom, and for the creation of that sense of responsibility and integrity upon which character is founded, and on which character depends; prosper this organization in all its endeavors and in all its undertakings, and as Thou prosper it, may the response it receives in the world that it serves be one of honesty, of integrity, of righteousness, of character, of nobility of soul, so that through the commercial world, as through every other province of National activity, this organization and those whom it serves may help to make of this country and of this nation one that rises into fame and into power and into influence by the righteousness which exalteth every nation. Amen, Amen.

President Fessenden—The Secretary will make some announcements.

Secretary Meek—The members present from Georgia are requested to meet in the ballroom, directly opposite here, at twelve o'clock to-day.

A request was made yesterday for names of Chairmen of the State delegations. A few names have been handed in. Any delegation which has not designated its Chairman will please do so and send the name to the desk some time this morning so that the list can be made up.

The Commercial Graphophone Department of the Columbia Phonograph Company extends a cordial invitation to the Members of the Association and their friends to avail themselves of the facilities provided in the Palm Room to dictate their letters to the Commercial Graphophone. These letters will be transcribed entirely free of charge through the courtesy of the Oliver Typewriter Company. We trust that the members will avail themselves of this opportunity to become acquainted with the machine.

The Committee on Resolutions will meet to-morrow morning at 9 o'clock in Parlor E. Members having resolutions which they wish to have considered by this Committee will either place them in the hands of the Chairman of that Committee, Mr. Given, or send them to the desk.

I will read the names of the Committee on Resolutions again, in case they were not heard by some of the members:

W. A. Given, Chairman, Pittsburgh; Wilmer L. Moore, Atlanta; F. H. McAdow, Chicago; Geo. Guckenberger, Cincinnati; H. M. Powell, Columbus; W. P. Peter, Dallas; Charles B. Sawyer, Detroit; R. V. Covington, Jacksonville; Sam H. Smith, Kansas City; J. H. Scales, Louisville; E. F. Sheffey, Lynchburg; W. B. Strong, Milwaukee; J. H. Orr, Nashville; A. H. Kaiser, New Orleans; Malcolm Graham, Jr., New York; A. L. Rosenaur, Baltimore; F. W. Risque, St. Louis; D. L. Sawyer, St. Paul; W. L. Dales, Youngstown; O. P. Taylor, Wichita; W. C. Mushet, Los Angeles.

President Fessenden—The next business in order is the announcement of the appointment of Chairmen of State Delegations. It will be given out later.

J. Harry Tregoe, of Baltimore—Mr. President, I want to make an announcement about our entertainment to-day. In order that there may be no disappointments, we will leave the hotel at 1.15. The cars will be in front of this hotel. We are compelled to leave promptly so that traffic will not be blocked. We will be conveyed by the cars

to the steamer wharf and take the steamer to Annapolis. As the Governor stated yesterday, in that quaint old city we shall see some of the relics of colonial days, and also be the guests of Admiral Sands, the Superintendent of the Naval Academy. There will be a dress parade in the evening to which we have entree. I want to say, there is one point of interest (and as our Baltimore people may not be in contact with every one of you) as we pass down the harbor, just a few minutes after leaving the wharf, the band will play the "Star Spangled Banner." We will then be passing old Fort McHenry, during the bombardment of which, in 1814, Francis Scott Key wrote that National Hymn; so that when you hear the band play the National Hymn you may know that you are passing the spot where the hymn was written. I want you to see that old fort, which only recently has passed away as one of the defenses of Baltimore City, owing to the fact that it is too close to the city to be a defense, and our harbor defenses have been moved further down. It is an interesting old spot. At 1.15—and every man had better take his coat. Coats will be in order, and the ladies had better take their wraps.

President Fessenden—The next business in order is an address entitled, "Not Everybody Works but Father." It was written by Mr. L. D. Vogel, ex-President of the St. Louis Credit Men's Association. Mr. Vogel is unavoidably absent, and the address will be read by Mr. Wm. H. Grimes. The Secretary will read a letter from Mr. Vogel.

Letter read by Secretary Meek, as follows:

St. Louis, Mo., June 12, 1906.

Mr. O. G. Fessenden, President National Association of Credit Men,
Baltimore, Md.

Dear Sir:—Greetings to all and sincere good wishes for a successful meeting and a royal good time.

We value our membership highly and will go as far as anyone in any direction to increase the usefulness of our excellent Association.

Please do not construe our absence into a lack of interest. We are with you in spirit and stand ready always to bear our share of the work and expense.

We wish to embrace this opportunity to acknowledge and express our appreciation of the courtesy shown us by many members in the direction of answering our inquiries. We stand ready to render such service to any of our members.

Hoping that the Convention will be productive of much good, and congratulating you upon the growth of the Association under your administration, we are,

Cordially,

CHARTER OAK STOVE AND RANGE CO.,

L. D. VOGEL, *Vice-President and Secretary.*

Before reading the paper, Mr. Grimes said:

Mr. President and Gentlemen:—The task of reading Mr. Vogel's address devolved upon Mr. George B. Miller, but he has put it upon my shoulders at the eleventh hour. He has not given me a very good excuse for doing so. I do not know where he was last night. I will fail, I am sure, to do justice to Mr. Vogel's address, as I have not had time to read it over even once.

"Not—'Everybody Works but Father.'"

Mr. President, Ladies and Gentlemen:—

I recently read of a man living in a country village who wrote to a prominent manufacturing concern in the East about as follows:

"Please send me caterlog of electric batteries.
I want to see what you got."

"P. S. Don't sent the caterlog, I have changed my mind."

When I was honored with the invitation to address you, a sense of duty and appreciation prompted me to accept. When I later learned that there was to be but one speaker each day and was further informed of the caliber of the gentlemen who were to precede and follow me, I suffered, first an attack of stage fright and then remorse of conscience for my presumption and felt I should recall the acceptance and like the village man add a P. S., "I have changed my mind." (Laughter.)

But here I am with an apology for letting the acceptance stand and I ask you to be charitable and take into consideration that the village man still had his request for "Caterlog" before him when he added his P. S. not to send it—while my acceptance had been sent when I learned how strong was the lime light into which I had consented to put myself.

Permit me to express the appreciation of the St. Louis Association in having one of its members selected to address you and also my personal gratitude for the distinction and honor.

I welcome the opportunity to secure an audience of this kind, notwithstanding the fact that your presence here demonstrates your interest in the work of our Association to such an extent as to put you out of that class of our members whom I most desire to interest in what I have to say.

In deciding upon the title of this paper I felt that when the minstrel, Lew Dockstader, wrote his popular song "Everybody Works but Father" he was not entirely familiar with the doings of the Credit Men's Association.

If I am fortunate enough to present my case in a sufficiently interesting manner, and if you find enough in it that is worth while to warrant you in carrying the spirit of it home, I am sure you will there, to a greater or less degree, find (what I found during my term as President of the St. Louis Association), just the kind of men in your ranks who are the germ of my subject.

My aim is to impress upon the indifferent members what I strongly feel, that there is no association which rests on a more substantial foundation than ours; that it is among the most important business associations ever organized—not for ideals, speculations and banquets, but to disseminate knowledge derived from experience and practice, and to the application of means to attain particular ends—the devising of laws and customs susceptible of being put into practice or of serving or helping to attain useful ends, and that its usefulness—yes, its life, depends upon the interest and efforts of its members.

Recognizing and appreciating the fact that I am addressing men fitted by nature and schooled by experience in our line of work (some of you being proprietors and managers who are well posted as to what constitutes a good credit man), I am not egotistic enough to presume that I could say anything new or instructive regarding the credit man's work, and will therefore confine myself, on this occasion, to an appeal for greater interest in the work of our Association.

If I should arouse slumbering energy and create increased interest in any considerable number, the mission of this effort will have been fulfilled.

It is of prime importance that I should lead up to my argument by quoting essential data and features taken from records. I think I can say without fear of contradiction, that one of the chief requisities for reaching a higher degree of efficiency is the co-operation of our members. This we have had only from a small minority.

To illustrate—and here I venture the opinion that our case is to a more or less degree parallel with that of every city in which our Association has a branch. If I am wrong, I congratulate you.

Our membership in St. Louis has hovered around three hundred and fifty (it is now three hundred and fifty-eight). We admitted fifty-one new members during the year. They were proposed by twenty gentlemen; thirty-four of the fifty-one were obtained through the personal efforts of members of the Executive Committee. In the face of our earnest and repeated appeals to *all* members to render assistance in the direction of increasing our membership only five per cent. presented applications.

Considering the large number of desirable firms, corporations and business men who can be and *are* benefited by our work and who are not members, it appears to me that an earnest effort on the part of *all* members would have brought better results.

The largest number in attendance at any of our monthly business meetings was seventy, or one-fifth of the membership. The average attendance at all the monthly meetings was fifty-four, or less than one-sixth of the total number in the St. Louis Association.

Consider, in connection with this, that the administration applied itself diligently by making repeated efforts and appeals to induce the members to attend and lend their assistance in the work.

Our banquet in February was participated in by two hundred and three. The one in May by one hundred and fifty-seven. Contrast these figures, if you please, with the greatest number at a regular business meeting and the question arises, "What are we associated for?"

Banquets are pleasant, and it is well to have them. We all enjoy them and they serve to bring us closer together; and from the figures quoted you will see they afford us the pleasure of looking into the faces of many of our members that we never or seldom see at a regular business meeting.

But it should not be forgotten that ours is a business organization and that we do the firms we represent an injustice when we confine our attendance to banquets. If our Association has a place among the useful organizations of the business community, if it has not outlived its usefulness—and I earnestly contend it is entitled to such place through what it has done and that it has a wide field for further accomplishment—then it is the duty of the accredited representative of every business house that has membership, to do his share towards attaining the results aimed at. And this can only be done by thought, presence and speech.

Attendance is not the only requisite to accomplishment. Expressions of ideas are necessary and there is no work in which a good thought, if expressed, is likely to bring better returns. A suggestion often starts a train of thought.

And this reminds me of a story about two merchants who were traveling in a sleeper on their way to Baltimore. They were not acquainted, but became so in the smoking room, as is customary. "My name is Smith," said one, "and I am in the notion business." "My name is Jones," said the other, "and I am in the clothing business." Then

they smoked in silence, Mr. Smith scrutinizing Mr. Jones pretty closely. Finally Mr. Jones asked whether his new acquaintance was trying to hypnotize him. "No," said Mr. Smith, "but I know what you are thinking about." "Are you a mind reader?" said Jones. "No," replied the other; "but I bet two dollars I know what you are thinking." The bet was made and Mr. Smith said, "You are going to Baltimore to buy a big stock of clothing, have it shipped to your place of business, get a good insurance and then have a big fire." Mr. Jones took out his purse and handed Mr. Smith two dollars, saying, "Nothing of the kind was passing through my mind, but a suggestion like that is worth two dollars." (Applause and laughter.)

Now we rather discourage such suggestions as that, but the story points to the fact that by meeting and becoming acquainted you sometimes get suggestions that you will consider worth something.

Many, I think, of those who *do* attend the meetings "hide their light under a bushel" because of the erroneous impression that it is necessary to be an orator to give expression to what they have in mind, and thus we lose the benefit of it.

Unobtrusive worth may be pleasant to read about in moral essays, but it is a poor foundation upon which to build and accomplish a fact.

He who never puts himself forward or, if he does, does so in a weak and hesitating way: who cannot say at the right time, though he knows it to be the right time, what he feels or knows to be true, may be a beautiful object of creation, very lovable on account of his modesty, but he won't do for the work of the Credit Men's Association.

"They do not serve who only stand and wait."

If a man has a proposition to advance and is properly earnest, words will come, ideas will develop and find expression, and results are bound to follow.

My remarks up to this time apply to members in general.

I desire now to make special reference to officers and committeemen. First, I ask you to consider, in connection with what I have stated as my opinion of the duty of *every* member, as being written in *italics* and *underlined* for the officers and committeemen. Then I wish to add that no member does himself or his Association justice if he accepts office and remains content with the publishing of his name on the stationery and the expression of confidence his selection carries with it. They should *work*. If they have not the time and cannot make it, or lack the disposition, they should decline the honor, for under such circumstances it would be an empty one. There may be those among you who will think that this kind of talk is cheap and usually is indulged in by a man who has plenty of time to spare. If any conclude that I am "a gentleman of leisure," make some inquiry. You will find I am not eligible for membership in the "Union," as I cannot live up to the limitation placed on the hours for work.

We hear it said and will probably keep on hearing it as long as human nature makes men different, that certain men "have not the time."

This is a very common remark and one to beware of. It is most frequently prejudgment—the rendering of a decision without thought. I will not say that it does not in *any* case express a *truth*, but I will venture the assertion that it is in the majority of cases a fallacy which has caused incalculable loss. Many men deceive themselves into the "too busy" mood and miss much by doing so. Generally speaking the definition of "have no time" is indifference. A tendency in that direction certainly reduces, if it does not destroy, a man's usefulness. Ninety per cent. of

those who are seldom or never present at meetings are *not* more occupied than those who attend. No doubt we can all devote every hour of the twenty-four of each day in the pursuit of profit, pleasure or sleep.

I will venture the assertion that those who attend have just as happy homes in which to spend their evenings, and just as many opportunities to devote the time to some form of recreation aside from that which is found in our meetings, as those who do not attend. Are the latter not shirking a responsibility?

There are exceptional cases, of course, in which men are excusable. For example, a man may have an invalid wife, mother or other member of the home circle, who needs the consolation and comfort of his presence after a day of absence. His first duty is to them.

There are other very good and sufficient reasons, no doubt, that can be advanced by some. And we cannot arbitrarily deny the request of our home folks to attend some function or entertainment which happens to take place on the evening that our Association meets. I want to assure you that I am not so radical or unreasonable in my views as to expect our members to be so unmindful of their social and family duties as to expect them to set everything aside and make it secondary to our Association work.

But when I contrast the average attendance and the highest attendance with the total of our membership; when the roll call and a scanning of faces disclose the fact that those who attend are practically the same loyal people at each meeting; when seventy, the largest attendance, subtracted from 350 leaves 280, which means that four times as many remain away as come, I cannot help thinking that a proper and reasonable excuse cannot be framed by so large a proportion for never attending excepting, possibly, at banquets.

A further analysis shows that among the absentees are a large proportion of men who, by their ability and forcefulness, have rapidly risen, many of whom formerly took a great interest in the work of our Association and who realize its usefulness and whose advice and instruction would be of a very great value—men whose presence would induce the attendance of others and contribute largely to our growth and accomplishments.

Why is it? Can you explain? I am sure that men of that caliber do not, on account of their advanced position in the business world, now consider themselves above attending a Credit Men's meeting. What can we do to interest them sufficiently to induce them to attend?

If they would say to me that the meetings are not of sufficient interest to warrant their devoting their time to them, I could only answer that those whose duty it is to make them so do the best they can, and if the absentees would only encourage and assist by their presence and participation there would surely be a renewal of interest and results.

I have confined myself thus far to a view of the subject from the high ground of duty. Now it's step down a little and regard it from the standpoint of self interest. We are credit men. The calling is so worthy of intelligent study and execution that it is lifted to the dignity of a profession. It is one of the most important wheels in the machinery of business.

If a man is willing to profit by the thought and experience of others, should not self interest prompt him to embrace the opportunity that is presented at our meetings?

It would be quite beyond the scope of this brief paper to detail the advantages of doing so. Suffice it to say that the meetings would be even more instructive and productive if more largely attended.

Let me here quote the statement of one of our members:

"I know that I am a better man and a better credit man by reason of my connection with this Association, and I believe that every other member who participates in its work has benefited likewise. If I have rendered any little service to the cause myself, I know that there are hundreds of bigger and better men working for the same cause. I know that my association with you, gentlemen, has made me worth more to myself and worth more to the concern whose credits I manage. I am not guessing; I know it, and I am glad, and my principals are glad, yes proud, to acknowledge the obligation."

This endorsement rests on experience. It has the ring of sincerity and if what he says is true, if the gentleman personally benefited and his principals admitted that he was worth more to them by reason of his connection with the Association is it not a self-evident truth that his own interests should prompt a man to be active in the work?

The benefit derived from our Association is not confined to that which results from the passing and enforcement of laws to protect our accounts and the punishment of fraud. It broadens and educates a man to meet others and exchange views and experiences. Personal contact with men of mutual interests eradicates narrow-mindedness from those who have it in their composition, reduces to a minimum that element of selfishness which we poor mortals all possess to a greater or a less degree, makes us more charitable, more deliberate and mature in our judgment and, therefore, better equipped to help a man who needs help and deserves it.

I want to add my testimony to that of our friend whom I have quoted that my Association with the Credit Men of St. Louis and those of other cities that it has been my pleasure to meet, has been of priceless benefit to me and my company.

While in Old Mexico recently I found in a book store among other souvenir postal cards, one with a picture of a camel and a sport, and in type the following: "A camel can get along without a drink for eight days, but who wants to be a camel?" I added, "take one on me," signed my name and addressed it to the secretary of a bowling club in St. Louis of which I am a member. The bar bill I received on my return showed that sixteen members of the club did not want to be camels and rather preferred to take a drink on me. (Laughter.)

I relate this to lead up to the statement that inactive men have their uses, one of which is to form a background for active men. But who wants to be a background? Let every branch of our Association make it a point to extend earnest, urgent, cordial and repeated invitations to the inactive to come out of the background to the front, and let us hope the response will be as liberal in proportion to our membership as was that of my friends of the bowling club.

I have no desire to pose as a moralist on this subject or assume a "holier than thou" attitude, but so strongly am I impressed with the danger of inactivity that I selected this subject and handled it as I have, to, if possible, stimulate us to greater action.

When a man is content to pat himself on the back and point to his record he has outlived his usefulness. Is it not so with a business association? I do not say ours has assumed that attitude. I simply want to point out the danger to the members who take no active interest in it's affairs, for no organization can prosper long without producing results and these are not obtainable without the service of the members.

It is my belief that in talking on any subject it is best to tell the truth and then when you cannot think of anything else, repeat it. So I

will close by saying that I consider it the right of our Association to expect work from its members and believe it to be their duty to advance its interests, and thereby their own and that of those whom they represent.

I thank you for your attention. (Applause.)

President Fessenden—We will now listen to the report of the Legislative Committee. Mr. Alfred H. Burt, of Buffalo, Chairman, will read the report. (Applause.)

A. H. Burt, of Buffalo—*Mr. President and Gentlemen of the National Association of Credit Men:* Before beginning I want to say that a week ago to-day I did not know whether I would be able to be here or not. Not until Monday was I permitted to leave my home, where I had been confined by sickness for something like ten days. Under the circumstances, I ask your kind indulgence.

Report of the Legislative Committee.

To the Officers and Members of the National Association of Credit Men.

GENTLEMEN:—Your Committee on Legislation begs leave to submit herewith a report reviewing its work during the past year, accompanied by such suggestions and recommendations as it deems pertinent to the subjects with which it has dealt.

At the Memphis Convention the following resolution was unanimously adopted:

Resolved, That the National Association of Credit Men reaffirms its belief in the necessity, efficacy and constitutionality of the Uniform Bulk Law, and requests its members to continue the advocacy of the law in States where it has not been enacted, and to be active in its application in all cases coming under its provisions, and diligent in its defense whenever attacked.

That the Association has been faithful to the sentiments expressed in this resolution may best be judged by a glance over the year's record. In the States of Michigan and South Carolina laws regulating the sale of stocks of goods in bulk have been put upon the statute books. In the State of Maryland the law has been amended, and in the opinion of your Committee, strengthened. Bulk sales measures were introduced into the Legislatures of Rhode Island, Mississippi, Ohio and Iowa, but in each State failed of passage. In New York an attempt was made to substitute a new law for the one now on the statute books of that State. The effort was successful so far as securing favorable action on the part of the Legislature was concerned; the Governor, however, vetoed the measure.

To sum up the present situation we would report that Bulk Laws are now in effect in California, Colorado, Connecticut, Delaware, District of Columbia, Georgia, Idaho, Illinois, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, New York, Oregon, Pennsylvania, South Carolina, Tennessee, Utah, Virginia, Washington, Wisconsin and the Territory of Oklahoma.

A number of court cases have been reported to your Committee, in which the constitutionality of several of the Bulk Laws has been involved. Decisions have been rendered by the Courts of Kentucky, New York, and Connecticut; cases are pending in the Courts of Michigan, Connecticut and Illinois. The decisions in Kentucky and Connecticut upheld the constitutionality of the law, while in New York the Court of Appeals, in a closely divided opinion, declared the law of that State to be unconstitutional. This decision applied to the Law of 1902, but at the same time, in the opinion of eminent counsel, practically annuls the effect of the Law of 1904, which is still on the statute books. The efforts put forth in the at-

tempt to secure the passage of a new law were for the purpose of remedying this condition. In the cases now pending in Michigan and Illinois the Local Associations are rendering every assistance, while in Connecticut the National body is lending its support. The Committee urges all members to report promptly to the local associations or to the National office any cases coming to their attention in which the constitutionality of Bulk Laws is questioned.

Another resolution adopted at the last Convention, and bearing on this subject was:

Resolved, That the National Office be instructed to continue the publication of the pamphlet on "Laws Regulating the Sale of Stocks of Goods in Bulk," each subsequent edition to contain any new laws which may be enacted, and all important decisions involving the constitutionality of the same.

We would report that no further edition of the pamphlet was prepared during the year, this being due to the fact that there was on hand a sufficient supply from the third edition to meet all demands. The National Office, however, has had printed in supplement form the text of the Bulk Sales Laws enacted since the last pamphlet was issued. These pamphlets are very useful in giving to our members the laws of all States where Bulk Laws are in effect, as well as important judicial decisions and much other data. In connection with this subject we offer the following resolutions:

Resolved, That the National Association of Credit Men reaffirms its belief in the necessity, efficacy and constitutionality of a Uniform Bulk Law, and requests its members to continue the advocacy of the law in States where it has not been enacted, and to be active in its application in all cases coming under its provisions, and diligent in its defense whenever attacked.

Resolved, That the National Office be instructed to print a new edition of a pamphlet to contain such Bulk Laws as have been enacted by Congress or the Legislatures of the various States; also all important judicial decisions on same.

The position occupied by this organization in connection with a permanent bankruptcy law has been well defined and is thoroughly understood. President Fessenden, in his very able address, informed you of the steps taken by him for the purpose of opposing any attempt to repeal the present law and the securing of a few needed amendments. Due to the efforts of your President a conference was brought about between a number of organizations interested in maintaining the bankruptcy law, as a result of which amendments were prepared and were introduced into the Senate of the United States by Senator Spooner, of Wisconsin, and into the House of Representatives by Congressman Palmer, of Pennsylvania. Following the usual course these bills were in both instances referred to the Judiciary Committee of the respective bodies. Early in March of this year the Judiciary Committee of the House granted a hearing on the amendatory bill. The hearing was attended by a large delegation, our organization being represented by delegates from Buffalo, Baltimore, Boston, Bloomington, Ill., Chicago, Pittsburgh, Philadelphia, Rochester, Richmond and New York. Other organizations were also represented, and strong arguments were presented, not only in favor of a permanent law, but also in favor of the amendatory bill at that time pending before the Committee.

During the session of the Fifty-ninth Congress the following bills affecting the bankruptcy law were introduced:

SENATE.

Senate Bill.

- No. 416—Dolliver, Iowa. Repeal.
No. 1233—Foraker, Ohio. Amending clause 4, Subdivision A, Sec. 3.
No. 4768—Spooner, Wisconsin. Joint Committee Bill.
No. 6064—Clark, Wyoming. Amending Sec. 29b.
No. 6169—Elkins, West Virginia. Amendment, Sec. 64.

HOUSE OF REPRESENTATIVES.

H. R. Bill.

- No. 76—Cousins, Iowa. Repeal.
No. 309—Kinkaid, Nebraska. Repeal.
No. 408—Clayton, Alabama. Repeal.
No. 3033—Bell, Georgia. Repeal.
No. 3153—Sims, Tennessee. Repeal.
No. 3165—Bowie, Alabama. Repeal.
No. 4476—Murphy, Missouri. Repeal.
No. 4478—Esch, Wisconsin. Amending Sec. 64.
No. 4507—Bartlett, Georgia. Amendments to Sec. 8, Subdivision D, Sec. 18, Subdivision B, Sec. 60.
No. 4528—Waldo, New York. Amendments to Sec. 14.
No. 5298—Taylor, Ohio. Amendments to Sec. 64.
No. 10692—Henry, Texas. Repeal.
No. 12595—Palmer, Pennsylvania. Supplementary Act.
No. 13843—Browlow, Tennessee. Amending Sec. 35.
No. 15089—Palmer, Pennsylvania. Joint Committee Bill.
No. 19074—Jenkins, Wisconsin. Amending Sec. 29b.
No. 19311—Kennedy, Nebraska. Amending Sec. 14, a and b.

The Committee has reason to believe that favorable action will be taken by the next Congress in amending the bankruptcy law in accordance with the views of this organization.

In this connection we offer the following resolutions:

Resolved, That the National Association of Credit Men, in convention assembled, heartily endorses the action and work of the Joint Committee on Bankruptcy Law and Legislation, named at a conference held in New York City, in December, 1905, which formulated the amendments that later were introduced into the Fifty-ninth Congress by Representative Palmer, of Pennsylvania, and Senator Spooner, of Wisconsin; and be it further

Resolved, That we urge continued co-operation on the part of these national organizations, along the lines followed by said Joint Committee, and that we pledge our earnest support to all movements having for their object the permanency of a just, equitable and wise bankruptcy law.

Resolved, That in conformity with the recommendations made by our President in his annual address, Article X of the Constitution be amended so as to provide for a Standing Committee, to be known as the Committee on Bankruptcy Law.

Among the many important subjects considered at our last annual meeting was that of "Conditional Sales," and the Association took action on the matter at that time by adopting the following preamble and resolution:

Whereas, There exists a lack of uniformity in the requirements of the various States governing the filing or recording of chattel mortgages and conditional sales; therefore be it

Resolved, That the Legislative Committee of the National Association of Credit Men be and it is hereby requested to investigate this important subject and take such steps as may be necessary to secure more uniform chattel mortgage and conditional sales laws.

The manner in which a vendor, or seller, of personalty may retain a lien upon his property to secure the purchase price, is an important feature of the law merchant. The delivery of possession and title to the vendee, or buyer, and securing from him a chattel mortgage to cover the unpaid balance is impractical, while the execution of a pure lease, or bailment, where the intention is in fact to make a sale, is a fraud upon its face. The most effective and practical means through which this end may be attained is by delivery of possession under a conditional contract of sale, which shall retain title in the vendor until full payment is made, and then provide for a bill of sale to the vendee, the object at all times being to carry out the original agreement of the parties and to allow no innocent third person to suffer.

Under existing laws in the several States we have the extreme of good and bad. Take for example, Arkansas, where such a contract, when in writing, and signed by the vendee, or purchaser, is valid as against the world, without further formality in the way of recording or filing. A fertile opportunity surely for fraud and deceit. At the opposite extreme stands Pennsylvania, where such a contract is not sanctioned by law, when the rights of third parties intervene, even though it be acknowledged and recorded with the same formality as that required for a deed of real estate. This condition actually deprives honest business men of the right to contract in the simplest and most direct form, the one to furnish goods, and retain the title until paid for, the other to receive and use the goods while making his payments. Between these extremes exist all manner of requirements for execution and recording of such agreements which cannot be touched upon here in detail.

Such a contract should be in writing and be signed by the vendee or purchaser at the time when the order is given; and later, when actually accepted by the vendor, or seller, should be signed by him.

A copy proven by the oath of any person should be filed with the County Clerk or Recorder of the county wherein the vendee resides, if a resident of the State in which the property is delivered; and if not such resident, then in the like office where the property is situate after delivery. It should be indexed to the names of all parties and the fees should not exceed twenty-five cents.

Such filing should be made within thirty days after the property is actually delivered to the vendee and should be effective as notice to all persons even where such property becomes a fixture upon real estate.

In those instances where property sold under conditional contract of sale, which is properly filed, shall have been attached to real estate in such a manner that it may be removed without material injury to the real estate, or to itself, the vendor should be entitled to possession upon non-payment.

In those instances where property covered by conditional contract of sale shall be so incorporated into the real estate as to become a material part thereof, and where its removal would result in great injury to, or the destruction of the personal property or the real estate, such contract should become a lien upon the real estate equal in priority to a mechanics' lien of the same date of record.

Such a contract should be refiled within thirty days of the end of two years in the like office of the county where the vendee then resides,

if a resident of the State, or if not such resident, then in the like office of the county where the property shall be situate at that time. Such refiling should be accompanied by filing a copy of the contract, to which should be attached an affidavit of the vendor, or his agent, stating the amount still unpaid.

When the contract shall have been paid, in full, the vendor should be required to furnish to the vendee, his representative, or assigns, a discharge in writing within ten days after demand. A failure to comply should be punishable by a fine not to exceed \$10.00, and the costs of an application to a court of record for a discharge.

It should be a crime to sell, dispose of, or remove from the county where originally delivered any property held under conditional contract of sale, and the punishment should be the same as for larceny.

A vendor under conditional contract of sale should have the right to sue and obtain a money-judgment and to pursue all legal remedies for its collection, and where such judgment shall not be paid the vendor shall not lose any right or remedy under his contract, but may afterwards replevin the property.

As the laws exist to-day, very few, if any, States recognize as valid a conditional contract of sale covering property which is to be disposed of in the ordinary course of trade, and restrict its application to such property as has an identity and is sold direct to the consumer. There would seem to be no effective means by which ordinary merchandise disposed of in the course of trade can be followed into the hands of a third party and recovered, as such a proceeding would work more harm than benefit to business interests. But no valid reason exists which would prevent the vendor of any class of personal property sold under conditional contract of sale from recovering possession or payment in full where it can be identified and still remains in the custody of the original vendee.

Representatives of the Credit Mens' Associations of Cleveland, Youngstown, Cincinnati and Columbus held a joint meeting at Columbus for the purpose of discussing and mapping out work. One of the results of this conference was the framing of a bill for the proper filing of Bills of Sale and Chattel Mortgages. This was introduced into the Legislature and subsequently passed. It provides that Bills of Sale or Chattel Mortgages shall be filed with the County Recorder in the county in which the sale is made instead of, under the old method, with the Town Clerk of the various townships. Under this law it will be possible for the mercantile agencies to secure constant and correct information regarding such matters.

The law of Conditional Sales is an intensely important one, for goods sold on a conditional sale may give one a false badge of responsibility. As an illustration: A merchant may have his store completely fitted with all the latest and up-to-date fixtures and furniture, and all bought on conditional sale, and unless they are, by law, properly recorded, they will be looked upon by the credit world as an available asset, when, in fact, they are owned by another.

Your Committee recommends that the subject of Conditional Sales and the recording of same be given special attention, and with that in view we offer the following resolution:

Resolved, That the National Secretary-Treasurer be, and he is, hereby instructed to prepare a form of bill covering the law of Conditional Sales and the recording of same, and send a copy to each local Association, that it may be discussed by them to the end that a general improvement in existing laws may be secured.

The question of more uniform Exemption Laws in the various States is one that is attracting widespread attention. The National Association of Credit Men early recognized the necessity for radical reform in this matter, and at the 1905 Convention officially took cognizance of the subject by adopting the following preamble and resolution:

"Whereas, The question of more uniform Exemption Laws in the various States is one of the most vital problems connected with interstate commerce, and inasmuch as a reform in that direction is more certain of accomplishment if our efforts are centered upon a definite plan stated in concrete form; therefore, be it

"Resolved, That our Legislative Committee, acting in conjunction with the National Office, be requested to compile a brief statement of the laws now existing, pointing out their inequalities and objectionable features, and to prepare a form of laws or list of exemptions which shall be equitable to both debtor and creditor classes, and adapted to the business conditions prevailing in various groups of States, arranging such groups according to geographical location and commercial development."

Complying with the request the National Office compiled a list of the exemption laws of the various States, but there appeared such utter lack of uniformity that it was found impossible to prepare a uniform measure that would meet the requirements or fit the conditions of any considerable section of the country. Many Exemption Laws were placed on the statute books of States years ago and conditions to-day are so changed as to make these laws, in some States, abominable. Exemption Laws in such States should be amended so as to fit existing conditions, and existing conditions as a rule are largely local. Your Committee believes that the local associations can best handle such matters. We, therefore, recommend that where more than one local association exists in a State that such associations confer with each other and that they procure from the National Office such information and data as will assist them in agreeing on such amendments as are necessary and desirable to conserve the interests of creditors.

The difficulty of obtaining convictions in cases where commercial swindling is carried on under the guise of a legitimate business, by the use of a misleading name or title, has long been recognized. Some years ago New York State enacted a law designed to control the operations of persons doing business under a fictitious name. Recognizing the value of the protective features contained in said law our Association at its last Convention adopted the following resolution:

Resolved, That the National Association of Credit Men recommend that steps be taken in the various States to secure the enactment of laws designed to regulate the carrying on of business under an assumed or fictitious name.

A bill regulating the carrying on of business under an assumed or fictitious name, known as House Bill No. 72, was passed by the Legislature of Kentucky and duly signed by the Governor. A similar bill was introduced into the Legislature of Ohio; it failed to pass, not because of opposition, but for the reason that the Legislature adjourned owing to the serious illness of the Governor.

Every State in the Union should have on its statute books a law compelling all persons or firms carrying on a business under a fictitious or assumed name to file with the County Clerk, or County Recorder, the true names of the lawful owners of such business.

We therefore recommend that the resolution adopted last year be endorsed and readopted:

Resolved, That the National Association of Credit Men recommend that steps be taken in the various States to secure the enactment of laws designed to regulate the carrying on of business under an assumed or fictitious name.

The Memphis Convention adopted resolutions pledging the support of the National Association of Credit Men to the movement for the reorganization of the Consular Service of the United States. An invitation was extended our Association to send delegates to a meeting to be held by representatives of various commercial bodies. President Fessenden designated J. Harry Tregoe to represent us, and he attended the conference which was held in the city of Washington, D. C. At this meeting an organization on Consular Reform was perfected, and officers elected—Mr. Tregoe being made Treasurer of the same. This organization favored a bill which provided for many of the reforms which it was sought to bring it about, and the same was introduced into the Congress. It passed both branches, was signed by the President, and is now a law. But, inasmuch as some provisions of the bill were amended solely to satisfy certain demands and interests, the law has not yet been made as perfect, effective or far-reaching as many desire. That still further improvements may be secured your Committee offers the following:

“Resolved, That the officers of the National Association of Credit Men be, and they are hereby, instructed and empowered to pursue such course and take such action as to them seems wise or justifiable, in securing further legislation for the improvement of the Consular Service of the United States.”

This Association has several times recorded itself in favor of the efforts which were being made to amend Section 5480 of the Revised Statutes of the United States. Said section pertains to the use of the mails for fraudulent purposes. The Association has obtained opinions from several sources which are to the effect that the statute as it at present stands is broad enough to bring within its operation those who use the mails for distributing false statements for the purpose of obtaining credit, this being the object sought by the proposed amendment. Therefore your Committee deems it inexpedient at this time to further agitate this subject.

Several important pieces of legislation have been secured during the year through the efforts of this organization.

In Tennessee, Section 3162 of the Code of that State has been amended to read as follows:

“In action found on bonds for the payment of money, bills single, bills of exchange, promissory notes, accounts, written obligations for the payment of bank notes, or promissory notes, bonds or written obligations for the delivery of the specific articles, or on endorsements of negotiable instruments, if the appellant take an appeal, or an appeal in the nature of a writ of error, from an inferior to a superior jurisdiction, the bond shall be taken and the sureties bound for the payment of the whole debt, damages and costs, and for the satisfaction of the judgment of the Superior Court where such cause may be finally tried and determined; provided, that nothing contained in this act shall be construed as depriving appellants of the right of appeal in *forma pauperis*.”

In Maryland a law was enacted known as Section 115A of the Code, the full text of this Section being:

"Section 115A.—Whenever any loan of money shall be obtained or property purchased by aid of such statement in writing, referred to in the preceding section, and in said statement the party to be charged shall state that he conducts a specified kind of business, and keeps books of account of said business, then, if at the expiration of any term of credit obtained by him in so purchasing said property, he shall fail to pay for the same within ten days thereafter, he shall at all times during the period of ninety days subsequent to such failure to pay, upon the request of the persons from whom said property was purchased, or their agents duly accredited in writing, produce upon notice of five days his said books of account and each and every one of them mentioned or described in said statement and permit the persons from whom the said property was purchased, or their agents duly accredited in writing, to fully examine such books of account, and each and every one of them mentioned or described in said statement, and to make copies of any part thereof. Upon such request being made, failure to produce said books of account, and each and every one of them mentioned or described in said statement shall be presumptive evidence that each and every pretense relating to the purchaser's means or ability to pay in said statement contained were false at the time of making said statement, and were known to the purchaser to be false.

"Section 2.—And be it further enacted that this act shall take effect from the date of its passage."

In Wisconsin a law has been passed dealing with those who secure credit by means of a false statement in writing.

The credit men of Massachusetts assisted in defeating a bill introduced into the Legislature of that State intended to restrict the operations of mercantile agencies.

Largely through the efforts of the credit men in Ohio an attempt to legislate against the use of the co-insurance clause in fire insurance policies was defeated.

A majority of the States will hold sessions of their legislatures during the coming year, and your Committee earnestly recommends that matters to be submitted on the part of the Association to these bodies be decided upon at the earliest possible moment.

The Local Credit Men's Association and the National Association of Credit Men are to-day very important factors in the State and National legislation. It is therefore natural to expect solicitation from other sources seeking our assistance in helping along legislation in which they are interested.

It is the judgment of your Committee that the surest way to maintain a high credit rating with a legislator is not to abuse it. We, therefore, think it opportune to suggest to all credit men who are interested in credit legislation that there is much for us to do and that we can accomplish more by keeping aloof from other legislative matters.

In conclusion, your Committee desires to express its thanks and appreciation of the courtesies shown and the great assistance rendered at all times by our worthy Secretary-Treasurer, Mr. Charles E. Meek, and your Chairman wishes to extend his personal thanks to the members of his Committee, also to the various Officers and Members of Local Associations who have rendered him valuable aid and assistance during the past year.

Respectfully submitted,

ALFRED H. BURT, *Chairman.*

Mr. Burt—Mr. President, I move the adoption of the resolutions recommended by the Legislative Committee.

Max Silberberg, of Cincinnati—Before entering into a discussion of the various resolutions offered by the Legislative Committee I wish to say a few words. On the first page of the report it says that Bulk Sales measures were introduced into the Legislatures of Rhode Island, Mississippi, Ohio and Iowa. This may be somewhat misleading as to the state of affairs in Ohio. The members here may believe that a Bulk Sales Law has been offered, acted upon, and defeated. This is not the case. Ohio has considered a Bulk Sales Law, but it did not come up for passage on account of the serious illness of our Governor, which caused the Legislature to adjourn earlier than usual. As it is, a Bulk Sales Law is now upon the Legislative calendar. It was introduced into the Senate and was referred to the Judiciary Committee, who recommended it for passage. It is probable that an extraordinary session of the Legislature will be called. If so, the Bulk Sales bill will be one of the first measures to be taken up, and we look for its passage. Should it not be taken up at the extraordinary session it will come up at the next regular session. So let it not be in the minds of the delegates here that the Credit Men of Ohio lost out in their efforts to secure a Bulk Sales Law. I think we will be able to secure one for you within a short period.

A. H. Burt—The Chairman of the Legislative Committee offers an apology to the Ohio delegates for omitting to mention the fact that it was through no fault, or on account of lack of work on the part of the Credit Men of Ohio, in not having to-day a Bulk Sales Law on the Statute books of their State. The failure was due to the serious illness of their Governor. I offer my apologies.

A. H. Kaiser, of New Orleans—The report of the Legislative Committee is most exhaustive, and contains a good deal of food for comment. I would move that action on it be deferred until to-morrow morning, taking it up after the address of the Honorable Leslie M. Shaw, thus giving the members an opportunity to thoroughly digest the report before final action is taken. There are a number of delegates who came in late—I saw them coming in after Mr. Burt was possibly three-fourths through the reading of his report, so in order to give everyone an opportunity to thoroughly digest it before discussion, I make this motion.

Howard Marshall, of New York—As our session is short to-day, I believe that the view which my friend from New Orleans takes is the right one, and I second the motion.

Jacob Gazan, Savannah, Ga.—Inasmuch as this report is to go over until to-morrow's session, I beg to submit one or two thoughts that I desire the members to consider in order that to-morrow they may be able to act upon them. The first is with reference to the Bulk Sales Law. It occurs to me that it would be highly desirable and important if we could secure National legislation on that subject. I believe it entirely within the constitutional provisions of the Congress to add to the bankruptcy statute a bulk sales provision. There was in the act of bankruptcy of 1867 a provision which said that the sale at wholesale by a retail merchant of his entire stock of goods was *prima facie* fraudulent. Now, you may legislate as you please in the States. We are not only dependent upon State legislatures, which in our section are composed largely of the farmer and the debtor classes, but we are also largely at the mercy of juries composed of a similar class. Now I am a great believer in the efficacy and in the moral and persuasive

force of Federal authority—(applause)—and whenever a creditor can get his case in the forum of our common country he is sure at least that he will have justice, and if his case demands it, a verdict or decree in his favor. Now, the present bankruptcy law has left out the provision to which I have just made reference, and if that were re-enacted we would be largely free from the necessity of any Bulk Sales Laws in the States. Some States are holding the law constitutional and some unconstitutional. The paragraph in the Bankruptcy Act of 1867 was held constitutional by the United States Supreme Court, and we are certain to win a case in South Carolina based upon that section, in which some of our Virginia and other friends are interested. The second point is that stated in the report with reference to ceasing the efforts to amend the Revised Statutes, Sec. 5480. The Revised Statutes, 5480, which is the law touching the use of the mails for fraudulent purposes, has been construed and is in force, but there is no uniformity in the enforcement of it. In some jurisdictions we are able to obtain convictions where a man makes false and fraudulent statements for the purpose of obtaining credit, and in others we are not. The courts differ because the language of the Statute is not sufficiently explicit, and I suggest—

A delegate raises a point of order, for the reason that the remarks are not germane to the motion.

President Fessenden—The Chair decides the point of order well taken. The motion is that this matter go over as unfinished business until to-morrow. What do you gentlemen desire to do?

Calls for question.

Vote taken and motion unanimously carried.

President Fessenden—The Chair takes the liberty of interrupting the order of business, and would ask the Committee on Nominations if it is ready to make its report. With your permission I will ask the Chairman of the Nominating Committee to read his report.

Harry New, of Cleveland—The Nominating Committee beg leave to report the following nominations for Directors: T. P. Robbins, of Cleveland; George G. Ford, of Rochester; L. M. Hutchins, of Grand Rapids; F. M. Gettys, of Louisville; A. P. Foute, of Fort Worth; C. S. Dickey, of St. Joseph.

(Applause.)

President Fessenden—Gentlemen, before proceeding to the report of the next committee, I want to call on Mr. Rosenaur, the President of the Baltimore Association, to say a few words to us. I know you will be glad to hear from him.

Calls for Mr. Rosenaur to take the platform.

President Fessenden—The Vice-President will escort Mr. Rosenaur to the platform. (Applause.)

Vice-President, F. M. Gettys—If you would like to have the Siamese Twins, here we are! (Laughter.)

A. L. Rosenaur—Mr. President and Gentlemen of the Convention: This is taking a rather unfair advantage, and I expected better treatment at the hands of my friends; some of them know how utterly incapacitated I am to make any remarks this morning.

However, while I am on my feet, I want to say that we are all very, very happy to have you with us, and we feel that this is the biggest thing that Baltimore has ever had. We trust that you are enjoying yourselves, and the Chairman of the Banquet Committee particularly requested me to call your attention, and to make special request that nobody leave the city until after the banquet is over. We promise

you a specially attractive program for that evening. I thank you very much for the call, and I trust that you all may enjoy your stay. (Applause.)

President Fessenden—The next business in order is the report of the Committee on Improvement of Mercantile Agency Service. Mr. Simon, of Detroit, Chairman will read the report. (Applause.)

Report read by C. A. Simon, as follows:

Report of the Committee on Improvement of Mercantile Agency Service.

To the President and Members of the National Association of Credit Men.

GENTLEMEN:—In presenting the report of this Committee covering its activities and the results thereof for the past year, it might be apropos to make mention here of certain changes in the personnel of the Committee during the year, which may have had their effect in completing its investigations along lines laid down by resolutions adopted at your last annual session. Two of our members dropped out during the year. We were unfortunate in losing the valuable services of our former chairman, Mr. Walter G. Seely, who resigned his position owing to his removal from our city a few months ago. However, your Committee has carefully considered such matters as have arisen during its régime, and has connected the threads as far as possible, with the following results:

During the year your Committee has endeavored to ascertain from your members whether or not the Dun or Bradstreet Agency has made it a custom to reciprocate with gratis reports on customers where a member has furnished them ledger information upon request. In almost every instance the reply received from every point on the compass has been: "No attempt at reciprocity." But there have been a few exceptions where both agencies have furnished reciprocal information in return for ledger experience; but such reciprocal report was always verbal on the part of the agency. Admitting that such verbal report is not as satisfactory for convenience of filing as a written report (inasmuch as same necessitates making up your own report of information volunteered), yet the fact remains that an interchange of information was given with no string attached to either side. From the gist of replies received, it is apparent that the West has the advantage over other sections of the country in this regard, indicating that the complaint is not necessarily national, but rather a local one, and that either the West has a more up-to-date class of agency managers, or that the local associations in the West have obtained the information required through a higher diplomacy. We are loath to believe the former, inasmuch as many of the Eastern and Northern local managers have shown themselves to be up-to-date and considerate of their subscribers' needs. Your Committee believes that the solution of the problem lies with the local associations within the districts not yet favored with reciprocal exchange; and from data gathered we feel that the local manager of the agency is the party upon whom pressure should be brought. We have in mind, particularly, the Denver Credit Men's Association, which seems to have solved the problem and expressed entirely satisfactory results along the lines mentioned. In dealing with this subject, we must not overlook the fact that in refusing ledger information to an agency when requested, we may be "biting off our nose to spite our face," and in order that the report be of value, that it be a compilation of actual facts and figures freely quoted, and that it be the

experience of the many as against the few. We, therefore, deem it undesirable to take a decided stand on this question, and recommend that it be left with the local associations to be taken up with the local managers of the respective agencies.

Doubtless a number of our members have, during the year, kept a record of the reports received from the different agencies and compared the service of one agency with the service of the other. From our investigations, however, the consensus of opinion is that there is entirely too much detail involved in keeping this record, and furthermore, that the record, even if properly kept, is misleading. Your Committee feels that there are other grounds for recommendation that the keeping of the record be discontinued, and refer particularly to the position of those members who subscribe to only one agency. Comparison in this case would necessarily be one agency record kept by one member with another agency record kept by another member, whose business might be entirely different. For illustration, we have members who deal exclusively with the jobbing trade, reports upon whom contain, we may say, ninety per cent. of financial statements, whereas other members may deal exclusively with contractors and the like, reports upon whom contain only twenty per cent. of financial statements. Under such circumstances, comparison would be unfair to the agency reporting on the latter class of trade. As a further proof that the record books are not kept up, or enough importance attached to them, is the fact that out of two hundred or more books purchased from our Secretary-Treasurer, Mr. Charles E. Meek, during the past ten months, only thirteen books (note the number) were turned over to this Committee for analysis. We do not consider this a sufficient number for serious consideration, but for your benefit we quote the responses to questions 1 and 2, as follows:

Q. 1. Which agency in your opinion furnishes its report in a better arranged and tabulated form?

Q. 2. Which agency in your opinion is the more prompt in reporting changes occurring in a firm's condition?

Three members, subscribers to one agency only, therefore no reply to either question.

Two members, subscribers to both agencies, no opinion expressed on either question.

Three members, subscribers to both agencies, favor one agency to both questions.

Two members, subscribers to both agencies, favored the other agency to both questions.

One member, subscriber to both agencies—Q. 1. One agency. Q. 2. Other agency.

One member, subscriber to both agencies—Q. 1. Both good. Q. 2. One agency.

One member, subscriber to both agencies—Q. 1. Both bad. Q. 2. Impossible to tell.

A total of thirteen members. (Laughter.)

In view of this analysis, your Committee feels that the number "thirteen" had its deadly effect, and we recommend that both agencies adopt "No. 13" as a good omen. (Laughter.)

It is an open question as to which of these agencies render better service to the members of this Association. Your Committee has made careful inquiry from every State in the Union represented by your members, and begs to report that neither of the agencies has the advantage over the other enough so that any preference could be made. At one point one agency is favored on account of the up-to-date methods

of its progressive manager; at another point the other agency is favored for the same reason. As a further proof that neither agency is generally favored, we have received letters from different cities, from members in the same city (being subscribers to both agencies), and some strongly favor Dun and others Bradstreet. In the majority of cases, however, the replies were that both agencies were favored and it was almost impossible to get a positive decision as to their respective merits. Your Committee is unable, therefore, "from the two evils to choose the lesser." (Laughter.)

Your Committee has received, during the past few months, a number of complaints from different members against the withdrawal by both agencies of their daily and weekly Report Sheets. These withdrawals seem to have taken place in certain sections only, and as far as we can ascertain, the districts affected by this action are the States of Michigan and Wisconsin. We feel that the information contained in the daily and weekly sheets referred to is quite important, and by doing away with such notices the agency service in these districts is seriously crippled. We feel further, that these districts are being discriminated against by the local agency managers, of whom recourse has been requested by the local members, and as far as we can ascertain, restoration of the sheets denied. It is deemed advisable, therefore, that the matter be brought before you so that proper action and pressure can be brought upon both agencies to restore the weekly and daily notices referred to, and place the Michigan and Wisconsin districts upon a par with the other districts throughout the country.

At the last annual session a resolution was passed requesting that both Dun and Bradstreet adopt a standard report form. Your Committee has had no intimation thus far that the request has been acceded to, and therefore, we present for your consideration a universal mercantile agency report form that will meet the exigencies of the credit men and prove not only economical to your members but a benefit to the agencies themselves if they give the form proper consideration. This form was designed by Mr. A. H. Zenner, a member of this Committee, and after careful consideration of all details connected with a mercantile agency report, we feel that it is a decided step in the right direction, and has our entire approval. All of your members have at different times read and re-read reports in order to get at the gist of same, but owing to the lack of any systematic presentation of facts and figures in the reports, have laid them aside in despair to look them over again a few minutes later. You may have been looking for a mention of fire, bankruptcy, fire insurance, failures, mortgages, etc., but did you ever find a reference to any of these important items in the same relative position in any two reports? One report will start off with a mention of a fire and end up with a rating, whereas, the other report will start off with a financial statement, and after two or three revisions of rating, following repetition of information gleaned at different times during the past year, will end up with a mention of a fire. We have attorney, blank and trade reference inquiries printed in systematic and concrete form. Why not have our mercantile reports up-to-date, and not as our ancestors were accustomed to have them in their day? These are days of quick decision; therefore, to enable us to decide quickly and accurately, it is necessary that we have the information before us in concise, brief form, and in a certain space where we can place our finger on any particular information we may be looking for, without wading through the whole report and then checking up to see whether or not we missed any important item.

In closing our report, we wish to thank the members of the Associa-

tion who have personally taken an active interest in our work, and also express our thanks to our sister Associations for their active participation in questions emanating from this Committee.

Your Committee begs to submit the following resolutions:

Whereas, The members of this Association have been requested to keep a record book for comparison of service rendered by the different Mercantile Agencies; and

Whereas, But few have done so, owing to the detail connected with the record and its analysis being in the main part misleading; therefore, be it

Resolved, That we favor the discontinuance of the record book so far as the Association is concerned, for the purposes of comparison, except in so far as each member may wish to do so, for his own particular benefit.

Whereas, It has been reported that R. G. Dun & Co. and the Bradstreet Company have discontinued issuing the daily and weekly sheets in the Districts of Michigan and Wisconsin, which action we deem seriously affects the efficiency and value of the service rendered in such districts; and

Whereas, Reinstatement of such daily and weekly sheets has been requested by the local members of our associations of the local managers of the agencies in the districts involved, and recourse denied; therefore, be it

Resolved, That the Secretary-Treasurer be, and he is hereby instructed to communicate with the headquarters of R. G. Dun & Company and the Bradstreet Company, indicating the wishes of the National Association of Credit Men, that the reinstatement of the daily and weekly sheets be made in all districts where the same have been discontinued without the discontinuance of any other special information that is now being furnished.

Whereas, The reports issued by Bradstreet and R. G. Dun & Co. are not uniform in their order of presentation of facts and figures, thereby giving a jumble of information which is unsatisfactory in form and difficult to analyze; and

Whereas, By adopting a standard form of report, the merit of which lies in its being for the mutual benefit of both agency and subscriber; therefore, be it

Resolved, That the National Association of Credit Men strongly advocates the adoption of the "Zenner" universal form of mercantile report by both R. G. Dun & Co. and the Bradstreet Company, and that the Secretary-Treasurer be and is hereby instructed to communicate our wishes to both named agencies.

Respectfully submitted,

A. H. ZENNER,
MURRAY D. WASSON,
EDWARD BLAND,
CHARLES A. SIMON, *Chairman.*

(Applause.)

UNIVERSAL FORM FOR MERCANTILE AGENCY REPORT.

Suggested by Committee for Improvement of Mercantile Agency Service, 1905-1906.

Name, *John Robinson & Company.*

Address, *Tuscola, Ohio.*

Street Address, *127 Charles Street.*

Business, *Drugs.*

Date Established, *1900.*

Date of this Report, *May 31, 1906.*

Information obtained, *May 25, 1906.*

Date given agency.

Name of Individual.....
Give full name.

Partnership, *John Robinson and Oscar Thomas.*

Give names of partners.

Corporation
Give date of incorporation and under what law and in what State.

Estimated net worth, *\$12,000.*

Credit Rating, *F3.*

Capitalization, \$.....
Corporation only.

Number of Shares.....

Par Value, \$.....

Capital claimed, *\$15,000.*

If individual or partnership.

Ever burned out? *Yes.*

"Yes" or "No." See details in Summary.

Ever failed? *Yes.*

"Yes" or "No." See details in Summary.

Any mortgages or liens? *No.*

"Yes" or "No."

Amount, \$.....
See details in Summary.

Volume of business per annum, *\$50,000.*

Do you discount your purchases? *Yes.*

Real estate? *Yes.*

"Yes" or "No."

Incumbrances, *\$2,000.*

See details in Summary.

Insured? *Yes.*

"Yes" or "No."

On Stock, *\$6,000.*

On Building, *\$3,000.*

Date of last inventory, *Jan. 1, 1906.*

How often do you take it? *Semi-annually.*

Do you keep books of accounts showing your purchases and sales? *Yes.*

On what terms do you sell goods? *Cash and usually 30 days.*

SUMMARY:

(The following space to include all details not mentioned in above data.)

John Robinson & Company, retail druggists, were established March, 1900. Firm is composed of John Robinson, a married man, aged forty-five, of excellent business repute, habits steady. Said to be industrious and energetic. Oscar Thomas is a single man, aged thirty-five, employed for six years as traveling salesman by the Michigan Drug Company, wholesale druggists, at Detroit. He bears a good moral reputation. Is a hustler and responsible for most of the up-to-date methods of the concern.

They claim a net worth of \$15,000. An examination of stock with possibility of depreciation causes us to reduce the net worth to \$12,000. Credit rating is F3.

Had a fire in October, 1904, with total loss. At that time they carried a stock of about \$8,000, insured for \$4,000. This caused financial embarrassment. An assignment was made for the benefit of their creditors. A settlement of sixty cents on the dollar was effected. No trouble followed. This fire and its attendant misfortune was a lesson to the concern which now carries ample insurance, \$6,000 on their stock and \$3,000 on their building.

They own a nice brick store, probably worth \$5,000, with a mortgage of \$2,000 against it, in a very desirable location.

They keep an excellent set of books, showing purchases and sales, and seem to have a thorough knowledge of their financial affairs. A considerable volume of their business is done for cash, but where accounts are opened they usually expect settlements monthly.

They have given us a signed statement as follows under date of May 25, 1906. The figures are taken from inventory of January 1, 1906:

ASSETS.

Merchandise at cost	\$8,000	
Real estate (store)	5,000	
Fixtures	2,000	
Cash on hand and in bank	1,000	
Book accounts	2,000	
		<hr/>
		\$18,000

LIABILITIES.

Owe for merchandise	\$1,000	
Mortgage on real estate	2,000	
		<hr/>
		\$3,000

EXPLANATION OF PROPOSED UNIVERSAL FORM OF AGENCY REPORT.

The necessity of a uniform style of mercantile agency report is firmly impressed upon the minds of your Committee, as it doubtless has been impressed upon every credit man in this country. The form on the reverse of this sheet was designed by a member of this Committee and already had been discussed with various mercantile agency managers and attachés prior to the appointment of a committee for 1905-06.

In reading various reports that have been received in our different offices, we have become firmly impressed with the frequent lack of information covering important points, which should be covered in the report, and frequently in hurriedly reading such reports is overlooked entirely. It therefore seems essential that a form of report should be devised that would in its concrete shape embody every necessary item, with ample provision for detailed information to follow. The form herewith submitted carries out the idea of the Committee, and although it may develop imperfections, to a large extent these faults have been eliminated.

The general plan provides for the striking in by typewriter, in blank spaces, the most salient information following in relation to its importance.

Agency reporters can very readily use the form in making their inquiries, answers being given in sequence, making the form a ready and desirable one for the use of the stenographer, by whom the reports are finally written.

The provision for general information guards against omissions because information that is not given is evidenced by the blank spaces, and the missing information is at once evident to the credit men, and, if desired, can be promptly secured by request for further details.

In the first place, provision is made for the name, business and address of the individual or concern reported upon, and particular stress is laid upon the necessity of securing the detailed street address. We find in the larger cities there are frequently business concerns of the same, or very similar, names which are easily confused, and to guard against any such emergency a definite street address is necessary.

"Date of this report." Here we wish placed the date on which the report is issued.

"Information obtained." Here it is essential that the date upon which the information in the report was secured be given, and in this way the value of the report decided upon.

"Individual." Under this heading give the full name of the person reported upon—this space only to be used in event that the report covers an individual rather than a partnership or corporation.

"Partnership." In this space give the full names of the various partners interested in the concern, and in the summary as much detailed information regarding character, individual's means and liability as is possible to secure.

"Corporation." It is important that the date of incorporation be referred to, and also under what State laws the corporate papers were issued. In many States there are provisions covering liabilities of stockholders, and unless annual reports are filed it may frequently become necessary to learn whether the laws have been complied with. Of course it is understood that this is of vast importance when credits of corporations are concerned, particularly in event of any serious financial complications.

"Capitalization." In this space should be stated the amount of capitalization, the number of shares, the value per share, the number of shares issued.

"Capital claimed." Here state the capitalization, or value of the business as claimed by the concern reported upon. This, of course, will not in all cases be the same as the actual value of the business, as we all know there is frequently a vast difference between the capital claimed and the actual amount of money invested in the business at a fair inventory of the assets.

"Ever burned out." The report should say either "yes" or "no," and if there has been a fire the information should be explained in detail in the summary.

"Ever failed." The report should say either "yes" or "no," and if there has been a failure the information should be explained in detail in the summary. It is particularly desirable to know if a settlement was effected with the creditors, and, if so, upon what basis.

"Any mortgages or liens." State this in the blank space, quoting "yes" or "no" and following the word "amount," give the figures required. Any detailed information regarding mortgages or liens, when given or obtained with amounts and names of parties interested, should be given in the summary.

"Estimated volume of business per annum." Here is a point that is of value, but which will probably not be reported upon very frequently. On the other hand, if secured, it would be valuable information. Credit men could, in many instances, have some idea of the proportion of business they are securing from the concern, and also as to the amount of credit extended by others interested in the credit of the concern.

"Real estate." If any is owned by the individuals, the members of the partnership or corporation, this should be stated, with an estimate of its value as well as memorandum covering any incumbrances that may be assessed.

"Insurance." Here the report should say "yes" or "no," and as near as possible the average amount of insurance carried both on stock and on the building.

"Date of last inventory." Particular effort should be made to secure the date of inventory upon which the report is based, and the second question: "How often do you take inventory?" is important as showing the progressiveness of the concern and the care in which its internal affairs are guarded.

"Do you keep books of account?" This information is very essential as we frequently find in small towns concerns do not always maintain books of record of their customers, scrap-paper and other miscellaneous methods being used to prove the accounts. Likewise no record is kept of purchases and other liabilities.

"What is your average dating?" This information, while a new query in reports, we consider of value because it gives the credit man an insight as to the business methods of the person reported upon. A concern that does business for cash, or gives a short time for payment of account, say thirty days, could reasonably be expected to pay accounts promptly. On the other hand, a business that requires giving customers a credit of ninety days, and even longer, would be justified in asking for better terms in making its purchases, of course, based upon its credit standing.

"Do you discount your purchases?" Information on this line is desirable, if possible to secure it, and could be used frequently by credit men in convincing themselves as to the goodness of the risk concerned.

"Summary." Under this heading should be included all miscellaneous information. In the first place, such data covering details that could not well be placed within the limited space at the top of the report. If one sheet is not sufficient for all necessary information, another plain sheet can readily be added. Also include a detailed statement showing the assets and liabilities as claimed by the business, and a revised estimate of same by the agency reporter. Also include the references to the individuals, partners and officials of the corporation, with their antecedents and reputations for business ability and acumen. Also the prospects of success, with suggestions as to whether the business is progressing or standing still, or going backward. Also details of any fire or failure, if any has ever occurred, and whether the adjustments have been satisfactory to those concerned. Also details of incumbrances, mortgages, either real estate or chattel, or liens of any kind.

In conclusion, we believe that the form of report submitted is a very simple one in all of its details, inexpensive to produce, concise in every way and best suited to the modern needs of credit men.

We have taken the pains to have the form properly printed, and a sample report is shown indicating the actual amount of work required from the agency in producing same.

Nowadays the most successful business concerns, particularly those doing a large volume of advertising, have in mind three important factors: A display line indicating the nature of the business; the particular use to which the product offered is designed; name and address. It is particularly desired to attract attention by holding out the important points with the belief that if the reader is interested attention will be held to the details in the smaller type. Therefore, in the same way we have looked upon the agency report, to bring out prominently the name of the business, what it has to offer, generally speaking, and those details which are of most value to the credit man will be searched out in the "summary."

It may be contended by the agencies interested that a report on this form would be impracticable. If it is true that agencies revise their reports semi-annually, then, of course, the information in the files of the agency could be utilized and the stenographer in charge of the work could glean from the old report such information as it has, putting such information on the new universal report, and then in a very limited time the entire agency system could be built up on the new form. The form submitted would have, in concise shape, the most important information necessary in making up a report and by using a standard form, such as we submit, much unnecessary reading of reports would be averted, and the clerk would know exactly where to look for information. The revision of reports would be very simple. To fill in these blank spaces on a standard form would actually entail less clerical work than the often long drawn out reports to which we are already accustomed.

CHAS. A. SIMON,
Acme White Lead and Color Works, Detroit.
A. H. ZENNER,
Zenner Disinfectant Co., Detroit.
EDWARD BLAND,
Ireland & Matthews Manfg. Co., Detroit.
MURRAY D. WASSON,
Parke, Davis & Co., Detroit.

President Fessenden—Gentlemen, the report of the Committee is before you.

Howard Marshall, of New York—As arrangements have been made for our entertainment this afternoon which makes it imperative that we should adjourn promptly, I move that the consideration of this report go over until to-morrow morning, as unfinished business, and that we do now adjourn.

President Fessenden—Before putting that motion the Secretary desires to make some announcements.

Secretary Meek—The Secretary of the Cleveland Association requests a meeting of the Secretaries of the local associations who are present, at 9 o'clock to-morrow morning, Friday, in Parlor D.

The Committee on Resolutions will meet in Parlor E to-morrow morning at 9 o'clock.

The delegations from St. Paul, Minneapolis, St. Joseph, Kansas City, Omaha and Des Moines are requested to meet in Parlor D at 9.30 Friday morning.

The report of the Committee on Credentials will be prepared this afternoon. It is to be presented to the Convention to-morrow. A preliminary check of the returns shows that some of the delegates have not yet registered, some have not turned in their railroad certificates, some have not turned in their credentials. It is earnestly requested, in order to have this report in perfect shape to present to-morrow, that you surrender the certificates or other papers in your possession before starting on the trip this afternoon. Both Mr. Stockwell and Mr. Alexander will be in the Palm Room ready to receive them.

A number of names have been sent to the desk on the part of different Associations for Chairmen of the State delegations. If there are any other names ready to be handed in, I will receive them at the desk after adjournment.

President Fessenden—Are you ready for the motion of Mr. Marshall, of New York.

Calls for question.

Voted, and motion carried unanimously.

President Fessenden—It is so ordered, and we stand adjourned until 10 A. M. to-morrow.

THIRD DAY—FRIDAY.

Morning Session.

FRIDAY, June 15, 1906.

Convention called to order by President Fessenden at 10.30 A. M.

President Fessenden—The session will be opened with an invocation by the Reverend Dr. Bilkovsky, of this city.

Rev. Dr. Anthony Bilkovsky—Vouchsafe us Thine aid, Almighty Father of the universe, creator and Lord of us all, in this our present Convention. May we here highly resolve that again and henceforth we shall dedicate and devote our lives to the furtherance of righteousness in this world. We would thank Thee that our lives and our careers are cast in so fertile a field as this our home, the land of treasures in the sunny soil, and the climate above. Grant, oh God, that we shall safeguard these and transmit our heritage to the generations yet to come undiminished, yea increased and untarnished, to our children's children, and may we so understand that it is only as the forces of righteousness have their sway and sovereignty in the affairs of men that even the treasures of earth are concerned. We ask, therefore, a wide and deepening sense of the value of moralized manhood, the furtherance and continuance of morality in the business world. We thank Thee that there is a human providence committed to the care of men—human in that Thou dost call us to be righteous ourselves, to exert all our influence for righteousness in the lives of others, and to throw the supporting arm of sympathy about the fallen and the unfortunate, but

still the righteous man. For these causes we have gathered. Further, by means of this Association, strengthen the hands that labor for all things that are good. Be with us in our meditations. Knot us one to another in the bonds of stronger friendship, so that under Thine almighty hand, and by the help of Thy children, righteousness shall cover the land, even as the waters cover the sea. As children of Thine, and fellow workers with Thy spirit, we ask this of Thee. Amen.

President Fessenden—The Secretary will make some announcements.

Secretary Meek—The Chairman of the Banquet Committee desires me to announce that a number of tickets for the banquet remain uncalled for at the registration bureau, and it would facilitate the work of the committee very much if all our guests who have thus far not been provided with tickets will call on Mr. J. Edgar Wiley at the registration bureau, for the same.

The Banquet Committee makes the special request that all delegates attend this banquet. Addresses will be delivered by men of national reputation, and every attention will be paid to the comfort of the guests.

A further communication to the same effect has been received from the President of the Baltimore Association, who makes a personal request of every delegate that he attend this banquet. They have arranged a splendid affair, and they invite you all.

All persons who have not yet turned in certificates of transportation please do so at the earliest possible moment. In fact they should be in the hands of the Secretary at once. The trunk line agent will be here during the day to finish up his work, and after he leaves it will be impossible to have any of the certificates validated. He leaves the city at 3.30 this afternoon.

The representatives of the Baltimore Association in the Palm Room, serving on the Banquet Committee, will close their reports promptly at 4 o'clock this afternoon.

After 2 o'clock this afternoon the Assistant Secretary, to whom you will look for your certificates, will be in the Tea Room on the office floor, remaining there until 5 o'clock.

President Fessenden—The Vice-President of the National Association will take the Chair. (Applause.)

Vice-President F. M. Gettys, of Louisville, took the Chair.

Vice-President F. M. Gettys—Secretary Shaw being unavoidably detained on matters of state, it has been my great pleasure and privilege to have an opportunity of inviting a gentleman to come here and fill his place. My tongue would cleave to the roof of my mouth if I attempted to make any apology for him. At the same time, it is only due him that I say that he has come here at a moment's notice. The man who leaves the plow standing in the field to respond to a duty call is the man for us! (Applause.)

It was with a sense of humiliation that we in Louisville learned that a member of Congress from our fair State, who is a member of the Judiciary Committee, was indifferent, if not hostile, to a permanent bankruptcy act, in which we all are so much interested. Our feelings of humiliation underwent a marked change when we learned from the special committee which you sent to Washington in March that another gentleman from Kentucky placed his services at its disposal, going before the Judiciary Committee and making a telling talk for the permanent retention of some form of National Bankruptcy Law. It is, therefore, more than a pleasure—it is a source of great pride to me, that I introduce the

Honorable Swagar Sherley, Representative from the Fifth Congressional District of Kentucky, in the development of whose splendid young manhood we seem to see the dawning of a brighter and better day in our National politics. (Applause.)

Hon. Swagar Sherley then addressed the Convention as follows:

Mr. Chairman and Gentlemen of the Credit Men's Association: I am reminded by virtue of the speech of your Chairman of what occurred years ago, when one of the foremost orators of America was introduced by a Louisville man, not as a silver-tongued orator, nor as a golden-tongued orator, but as the diamond-tipped orator of America, and I remember how he came forward and said, that with the modesty of the Celt, he blushed at the introduction, and could only hope that the book might equal the preface, and so to-day, in beginning my short talk to you, I can only say that I hope the book may equal the preface.

The Chairman said truly that I had no notice, and that I was caught on the wing, but perhaps that doesn't matter. The making of a speech is not always dependent upon time, and I do not know but what the faculty of speechmaking is best illustrated by a story that I once heard of a fellow who was somewhat given to looking upon the wine when it was red, and when he got a little bit the worse for wear, he was given to a great deal of profanity. Upon one occasion when he was giving vent to his feelings, a preacher standing near, walked up to him, and said, "My friend, where on earth did you learn such language?" The fellow turned with a leer, and replied, "Parson, you can't learn it, it's a gift." Now I do not possess this gift of speechmaking, and so it wouldn't have helped me to have known earlier that I was expected to make one. But when the invitation came, I appreciated the source so much that I felt I should not let my own personal inclinations interfere, and so I am here to talk to you, not on the Bankruptcy Law, not on any particular matter so to speak, but somewhat as we do at times in Congress when we have general debate on the state of the Union, because it seemed to me that perhaps there were a few things of a general nature that might be said to this representative body of men that would be worth while.

The Credit Men of America represent the material prosperity of America. They are the men who always have their hands upon the pulse of National prosperity, and their judgment is perhaps the keenest as to the trend of affairs and as to what the future may hold out for us. Now if there is one thing that I should say as an outsider that I think might represent the dominant idea of the Credit Men of America, it is a belief in the freedom of trade, and an absolute protest against the unnecessary hampering of trade and trade conditions. Believing that that was so, it seemed to me not inappropriate that I should talk to you somewhat in regard to certain tendencies of to-day, and, of course, in what I am about to say I have no desire to provoke controversy, nor any desire to speak in any sense from a political or party standpoint, but simply as one who has had some few years experience at the National Capital. It occurred to me that it might interest you to know of these tendencies as I see them.

If I should say that there was one movement over all others that was most marked, it would be that movement towards carrying to the National Government every matter that heretofore has remained at home among the people. There is a growing tendency on the part of Americans generally to disregard a remedy near at hand and to come to the National Government for the solution. That was of necessity an heritage in a measure of the Civil War. It had to follow that as a result of the solution of the great question then involved, there should come a concentration of

power and strengthening of the National Government. I am too young a man, and I hope my face is still set too firmly towards the future, to have any regret over the termination of a lot of old theories that undertook to cramp the National growth.

I recognize freely and gladly the domain of the National Government, but because I recognize it, I also realize the limitations that are inherent if we are to have good efficient legislation at the hands of the National Government. If a man could look over the bills that are introduced in the Congress at every session, realizing the hundreds and thousands of subjects that are touched upon, realizing that it would take all the time of a member to simply read them over, if he did nothing else, he would see the absolute fulfllity of hoping to solve all of our problems at the National Capital; and therefore it seems to me all-important that the people should realize this tendency, and do what may be done to correct it. Men are not saved by outside influences. They are helped towards better things by environment, but no man worthy of the name of manhood ever was saved except by the motives and powers within himself, and so with a collection of men. This Nation will never be saved by outside influences, and no State will be saved by the Nation, but by itself. What I mean by that is this: That you cannot solve problems by taking their solution away from the seat of trouble, and away from the place where information ought to be best and easiest. I should like to see, instead of activity in our National Capital, more activity in our State Capitals; and by that I do not mean more law. I think the trouble now in America is not the absence of law, but the fact that we have too much law, and enforce too little of the law that we have. (Applause.) I should like to see the bad laws that are not enforced because their enforcement would bring ruin, done away with, because there is no worse thing in the world than to have a law on the statute books that is disregarded. It is a short step from the disregard of a bad law for a good purpose, to the disregard of a good law for a bad purpose. (Applause.) I believe that we should go back to that theory of government that holds that the county should do nothing the individual can do; that the State should do nothing that the county and the individual can do, and that the National Government should do nothing that the State, the county and the individual can do. (Applause.) By that I do not mean in the slightest to deny the power of the National Government or its proper domain. As your Chairman has told you, I am an advocate of a National Bankrupt Law, because the power to enact such a law is one that is expressly conferred upon the National Government, and there are times in regard to trade when State lines become irksome and efficiency and uniformity can only be obtained by disregarding those State lines; but do not forget that there is also another side to even this question, that while it is easier for a body of men to come to one law-making body and get from it what they want than to go to forty-five, it does not always follow that what they are getting will be better for the body politic, or will better represent the particular interests and rights of different sections, though they may represent the particular interest of the people that happen to be in Washington urging the matter, and in connection with your interest in National legislation relative to bankruptcy matters, may I be permitted to digress a moment by saying that if I were to make a criticism of business men—and I would not want to do it—it would be that they know their law-making officials only when some matter affects their business directly, and do not know them during the remainder of their political career, and then they are surprised some day to wake up and find that men in National and State legis-

latures are advocating measures which they think are absurd measures, which do not represent their interest at all, or their view-point, forgetful of the fact that, after all, men will be responsive to pressure; that where influences are brought to bear—and by influences I mean proper influences—men will yield to pressure. If the business men of America have cause to complain of the lack of wisdom of business laws, they can best be answered by saying that they usually lock the door after the horse has been stolen. They come to the National Capital asking relief when it is too late, instead of taking a part and an interest in public matters in advance.

But I do not want to make my speech a lecture. I want to call attention in illustration of what I have to say as to these tendencies, to the peculiar change that has come in regard to one clause of the Constitution of the United States. The makers of that great instrument provided that Congress should have power to regulate commerce with foreign nations, among the States, and with the Indian tribes. The commerce clause has become by long odds the most important clause in the American Constitution, and it is a curious fact that that clause was put into the Constitution for the purpose of keeping trade free. It is known to every student of American history that we owe our Constitution to the fact that difficulties arose in regard to trade between Maryland and Virginia; and they called a convention to try and arrange some basis relative to interstate trade, and as a result of that convention there was called another, and as a result of the second convention was called the Philadelphia one that adopted the National Constitution. Now, the purpose of that clause, as I say, was to keep commerce free. The purpose was to prevent one State discriminating against another State. It was to prevent import and export duties being made by one State as against another. As a result of that clause we have had in America a larger area of free trade, of trade without restriction of laws, than any other country ever had, and yet to-day we are seeing that clause made the excuse for all sorts of efforts to trample upon and harass and harness trade. There is not an advocate in the National House who, when he wants to take some new step, wants the Government to go into some new species of paternalism, wants it to create a bureau of inspectorship, that will not appeal to the commerce clause; and it seems to me that this body of men, dealing directly with the business affairs of the country, ought to be peculiarly interested in that tendency. Every day some new effort is being made under this clause, not to keep trade free, not to prevent restrictions upon it, but to put some new restriction upon it. Now much of it has been made necessary by conditions which are the result of National growth, but an infinitely greater amount has been made necessary because the people at home failed to do their duty and to solve their problems there. (Applause.) If the State of Kentucky did her duty, if the City of Louisville did her duty, it would not be necessary for any citizen of that City or State to come to the National Government and ask it to interfere in matters that relate necessarily to State and to home affairs. And one of the reasons that this thing is occurring is right curious to note. Under our National system of taxation we raise most of the money to defray the expenses of government by indirect taxation. Outside of the internal revenue tax on whiskey and tobacco and a few other matters, the great bulk of the money with which we run the National Government comes as a result of customs duties. While we all pay it, each one is not conscious of paying it in that same way that a man is conscious when he walks up to the

wicket at the tax receiver's office in his city or State and pays his city or his State taxes. What is the result? Inasmuch as the people are frequently ignorant of how much they are paying, and when they are paying it, they permit the Government to go into unnecessary movements, to do things that ought not to be done, and would not be done if they knew just exactly the burden that they were bearing in permitting it to be done. (Applause.) That is the reason why the average man at home, instead of going to his State legislature, comes to the National Government. State officials want to be relieved of their duty, and State Governments want to be relieved of the burden of taxation, and so they bring to the National Government what ought to be kept at home. If the people would waken to the realization that they pay just the same when they pay indirectly as when they pay directly, there is many an appropriation made by the House of Representatives and the Senate that would not be made in the future.

But to my mind, running along with this tendency towards centralization, is another tendency, very much more harmful, and equally pronounced. It is the tendency, as I said, of disregard of law. The other day in a debate upon the floor of the Senate a statement was made in regard to a proposed measure relating to banking, that if that measure was passed, one of the Government officials had announced that he would enforce the law, that now he was not enforcing the existing law, because he didn't think that it was for the best interests of America. Now I do not want to make criticisms of individuals, but I want to present for your serious consideration this proposition. Whenever we get to a condition where an executive officer can determine that the law shall be enforced or shall not be enforced, according to his conception of the wisdom of that law, haven't we got to a point where our legislative bodies are no longer necessary, and ought to be dispensed with? Haven't we done away with the very theory of our Government, and isn't this very much worse than appears in any particular case? It may be that one man will exercise that discretion wisely, but the whole theory of American Government is that it is a government of laws and not a government of men. Some day some man may not exercise the discretion quite so wisely, and what will then happen? If you make a mistake in legislation, instead of that mistake being learned by the country through the enforcement of the law, when the law that was bad would be repealed and the lesson would be so learned that nobody would dare to repeat the blunder, we go along disregarding it; conditions get no better, and some man, not realizing that the trouble lies in the non-enforcement, comes forward with some new bill on top of the unenforced law, to bring relief, and so the matter grows and grows, so that to-day there are upon the statute books of America hundreds of laws that are lost sight of, and while sufficient to accomplish reforms of many present evils, are never invoked. It has been my lot to work upon a revision of the entire statute law of America. That law is a jumble without any system, without any theory, the result of patchwork, of one man putting on this and another that, half of it a dead letter and disregarded until every now and then some fellow comes up with a new bill to kill a new evil, and after he has had his bill before Congress it is found that that exact bill is already the law, and has been the law for half a century, but not enforced, and disregarded.

There is another thing that happens. There is so much to do in Washington that it results in the individual member having no individual judgment about what ought to be done. He is dependent practically

upon the recommendation made by bureau chiefs in the various departments. They send in their recommendations asking for things. Every man naturally thinks that his particular work is more important than anybody else's work, and the constant tendency is for each to magnify the importance of his particular bureau or line of work. The result is that recommendations come in before the Congress in favor of a new departure or an enlargement of this plan or the other plan, until we are swamped and instead of Congress exercising any real deliberation, instead of Congress having an opinion as it should have, it accepts the opinion of the committees, and they in turn accept the opinion of the department chiefs who make the recommendation, and thus your law is made. Another modern and dangerous tendency keeping pace with these, is the distrust of the courts. There has been at this session, and there is now throughout the country, a constant irritation at the old-fashioned idea that a man should have his day in court. The time was when no man of Anglo-Saxon blood would have dared to stand before an American audience and suggest the advisability of administrative government without any review by the judicial branch of the government, and yet to-day, if the suggestion is made that the action of administrative officers shall be subject to review in the courts of the land, we are told that it means to delay things and tie them up and make interminable litigation, and that what we want is results. The danger with Americans lies in the fact that their knowledge of history goes back to yesterday, and their anticipation of the future goes to a day forward only. They fail to realize that what may exist to-day in ordinary times without danger, in extraordinary times may prove very hurtful to the liberties and the rights of the people, and one of the marvellous things to a man bred in the law and the history of the law, is the constant tendency of the American people to disregard the courts as safeguards to the liberties of the people. If the fault lies in the personnel of your judges, or in the detail of the law, the remedy is not to abolish your courts, it is to put proper judges on the bench and then to make your procedure modern and practicable. (Applause.) The idea of doing away with the right of a man to appeal to the judiciary and have it pass upon the legality of a law, and pass upon his rights, rights of liberty and of property, is a new innovation that cannot stand the test of trial, of actual experience. It was because of these tendencies that, although I have had no chance to make you a prepared and finished speech, I thought it might not be inappropriate if I came to you and talked simply as one American to another, talked to the men who, more than any other set of men, in the final analysis form public opinion. There is a great deal to-day that is passing as public opinion that is simply the clamor of the uninformed. But, after all, the sober second sense of the American people finds its best expression among those engaged in the active commercial life of the Nation, and therefore it was that I came here to-day to make these few scattering remarks. If anything that I have said may awake some to regard these tendencies, even though they do not happen to affect your particular business, my remarks have not been in vain. In any event, I am very grateful for the very kind and thoughtful attention you have given me. (Great applause.)

President O. G. Fessenden resumed the Chair.

President Fessenden—The next business in order is to take up the report of the Legislative Committee, which went over until to-day as unfinished business. Before proceeding to a discussion of it the Chair desires to say that owing to the matters which will come before the Convention and the limited time in which to dispose of them, the rule

limiting speakers to five minutes and the second and third speakers to three minutes, will be strictly enforced, so that when a gentleman is interrupted in the course of his remarks he will understand that the Chair is only performing his duty. The Secretary will read the first resolution.

Resolution read by Secretary Meek, as follows:

Resolved, That the National Association of Credit Men reaffirms its belief in the necessity, efficacy and constitutionality of a Uniform Bulk Law, and requests its members to continue the advocacy of the law in States where it has not been enacted, and to be active in its application in all cases coming under its provisions, and diligent in its defense whenever attacked.

President Fessenden—Gentlemen, the resolution is before you. What is your pleasure

Howard Marshall, of New York—I move the adoption of the resolution.

L. M. Hutchins, of Grand Rapids—We are "trying out" in the State of Michigan our Bulk Law. I think in three months we can give you the condition of affairs. Three years ago we passed a Bulk Law in our Legislature, but it was vetoed. One year ago this last winter we passed another bill, which was signed and made a law and became operative in September, 1905. As is usual suits were begun all over the State growing out of the sales of stocks of goods in bulk, where the parties had violated the conditions laid down in our law. Senator W. P. Brown, of Michigan, who was responsible for the passage of the law was retained in behalf of the Michigan Credit Men. Mr. Brown was successful in getting into a case that was brought in his own county, and he so conducted it as to get the issue through the Justice Courts and through the Circuit Courts and an appeal was taken to the Supreme Court of Michigan, the brief for which is now being prepared. In letters which I have had from Mr. Brown recently he states that he is confident the law will be sustained in Michigan. The law we have is founded partly upon the Massachusetts law and partly upon the Pennsylvania law, having attached to it a receivership clause. He has been able to demonstrate to the satisfaction of the parties hearing him that there is a distinction between the Michigan law and the New York law which was held to be unconstitutional. A few days ago he wrote me and asked me if I would get an estimate of the losses in the State of Michigan for the years 1904 and 1905 along the lines that this law covered. That was an interminable task and one that I could not accomplish, but I took the liberty of writing to ten or twelve large jobbing houses in Michigan and I have accumulated figures to show that without question one hundred thousand dollars is the minimum amount. Now, that is not a question affecting the validity of the law, but it is a question that arose in the argument that this law was unnecessary; that some of the courts think that the law is not necessary and does not affect the business interests of the State to any considerable extent. I have been able, however, to satisfy the people that this is not so. We are confident that we will win in Michigan. I will close my remarks by saying that I have pushed this matter night and day for four years without interruption and to such an extent that my friends have often said, "If you don't stop talking Bulk Sales Law, we won't listen." My desk is loaded with letters praying that every effort be made to sustain the law, and if we are defeated to amend it and pass it again. I want to suggest that after working on this matter I believe that the thing to do is for the National Association of Credit Men to take a case such as we now have in Michigan and carry it to the United States Supreme Court. Gentlemen, there is no use in acting through the States individually, and having some statutes

defeated and some sustained. Let us carry it higher and know where we stand.

Jacob Gazan, of Savannah—I move to amend the resolution. The resolution reads as follows: "That the National Association of Credit Men reaffirms its belief in the necessity, efficacy and constitutionality of a Uniform Bulk Law, and requests its members to continue the advocacy of the law in States where it has not been enacted, and to be active in its application in all cases coming under its provisions, and diligent in its defense whenever attacked." I move to amend by adding at the end of that section the following words: "And that this Association shall devote its earnest endeavor to having an amendment added to the present Act relating to bankruptcy, so as to declare *prima facie* fraudulent all sales, transfers, conveyances and assignments not made in the usual and ordinary course of business."

Amendment seconded.

Jacob Gazan—My purpose, Mr. President and Gentlemen, is as stated yesterday before the gentleman called me to order, to give the credit members of the commercial world an opportunity to get the protection which the power and force of the Federal Judiciary will afford. The Act of 1867, in the 35th section, contains a provision practically in the words of my proposed amendment. In the case of *Walburn vs. Babbitt*, reported in the 16th Wallace, p. 577, that question was up before the Supreme Court of the United States, and was applied with profit to the parties interested on the creditor side of that litigation.

Down through our section of the country where the State Judiciary, or the justices and judges, come from the rank and file of the country most frequently, bred behind the plow, and who handle the plow, the people have little to fear of the judges or the law; but when the majesty of the United States Court is concerned we see them quake and quiver, and, sir, when we are successful, by virtue of jurisdictional facilities, in getting into the Federal Courts we are assured that the creditor will get justice and that the debtor will pay his debts. Now there is no question in my mind about the constitutionality of that law. I do not find that it was ever questioned under the Act of 1867, and the same power which the Constitution of the United States gave to Congress to enact a uniform system of bankruptcy is in effect and holds to-day, and if Congress had the power in 1867 to so provide, it certainly has the power now. I believe if we will use our united effort to have that amendment adopted by the Congress that we will meet with that success which the great financial interests represented by this Association throughout the country are entitled to. (Applause.)

C. L. Bird, of Boston—Mr. Chairman and Gentlemen, I hope the amendment will not prevail. I believe if the gentleman from Georgia would follow the workings of the several committees of this Association on bankruptcy matters, he would see that the National Association of Credit Men are strongly in favor of keeping on the National Statutes the bankruptcy law. Since there were twenty bills affecting that law offered during the present session of Congress, I do not believe that it is wise for us to make another attempt to change it.

M. E. Bannin, of New York—I quite agree with Mr. Bird, of Boston, that it is poor policy at present to request Congress to make further amendments to the Bankrupt Law. We have been, I may say, in a critical condition with the Bankrupt Law, but I feel, and I think this Association feels, that Congress is now quite satisfied to let the Bankrupt Law remain upon the Statute books. We have asked it to make some amendments, and I hope that those amendments will be

acted upon favorably, but do not let us go again to them and say we have thought of something else, and discourage those we have converted to our line of thought. I hope the amendment will not prevail. (Applause.)

President Fessenden—Are you ready for the question?

Calls for the question.

President Fessenden—The Secretary will read the amendment.

Amendment read by Secretary Meek, as follows:

Resolved, That the National Association of Credit Men reaffirms its belief in the necessity, efficacy and constitutionality of a uniform Bulk Law, and requests its members to continue the advocacy of the law in States where it has not been enacted, and to be active in its application in all cases coming under its provisions, and diligent in its defense whenever attacked, and that the Association shall devote its earnest endeavor to have an amendment added to the present act relating to bankruptcy, so as to declare *prima facie* fraudulent all sales, transfers, assignments and conveyances not made in the usual and ordinary course of business.

President Fessenden—All those in favor of the amendment as read will signify it by saying aye; opposed, no.

Vote taken.

President Fessenden—In the opinion of the Chair the amendment is defeated. The original resolution is before you.

J. L. McWhorter, of Nashville—I am reminded by the manager of a national collection bureau that in the State of Kentucky there has been a decision within the past year that very materially affects this Bulk Sales Act, and I have observed that the Committee made no reference to it in its report. I think it would be well, in view of the fact that we are voting here to have decisions incorporated in the BULLETIN in the future, that some mention may be made of this. If it is in order I will be glad to hear from Mr. Gettys or some of the other gentlemen.

President Fessenden—It is in the report, I am informed.

R. Ruthenburg, of Louisville—In the report of the Legislative Committee appears this language: "A number of cases have been reported to your committee, in which the constitutionality of several of the Bulk Laws has been involved. Decisions have been rendered by the courts of Kentucky, New York and Connecticut; cases are pending in the courts of Michigan, Connecticut and Illinois. The decisions in Kentucky and Connecticut upheld the constitutionality of the law, while in New York the Court of Appeals, in a closely divided opinion, declared the law of that State to be unconstitutional." That is the only reference, as far as I have seen, in the report of the Legislative Committee, but I hope it covers the ground.

J. L. McWhorter, of Nashville—I spoke simply on the information I had, and I thought we could get it from some of the Louisville delegation.

President Fessenden—All those in favor of the resolution will signify it by saying aye.

Unanimously carried.

Second resolution read by the Secretary as follows:

Resolved, That the National Office be instructed to print a new edition of a pamphlet to contain such Bulk Laws as have been enacted by Congress or the Legislatures of the various States; also all important judicial decisions on same.

President Fessenden—What will you do with the resolution?

Motion to adopt made and seconded.

Carried unanimously.

President Fessenden—The Secretary will read the third resolution.

Resolution read by Secretary Meek, as follows:

Resolved, That the National Association of Credit Men, in convention assembled, heartily endorses the action and work of the Joint Committee on Bankrupt Law and Legislation, named at a conference held in New York City, in December, 1905, which formulated the amendments that later were introduced into the Fifty-ninth Congress by Representative Palmer, of Pennsylvania, and Senator Spooner, of Wisconsin; and be it further

Resolved, That we urge continued co-operation on the part of these National organizations, along the lines followed by said Joint Committee, and that we pledge our earnest support to all movements having for their object the permanency of a just, equitable and wise bankruptcy law.

President Fessenden—The resolution is before you.

Motion to adopt made and seconded.

J. A. McKee, of Philadelphia—I wish to add, in support of that resolution, that I have received a letter from the National Secretary of the National Hardware Association stating that he had received replies from over 90 per cent. of the members of the National Hardware Association who were heartily in favor of the position taken by the National Association of Credit Men.

A. J. Gaeher, of Cleveland—I heard the gentleman from Philadelphia speak with reference to the National Hardware Association. I do not know whether he means the bankrupt law or not. I will say that the Cleveland Legislative Committee made an attempt to secure the endorsement of the National Hardware Association for the bankrupt law, which resulted in an invitation to one of our members to take it up with the executive committee of the National Hardware Association when it was at Cleveland, and it further resulted in a letter being sent to the National Hardware Association. I have a letter in my hand from the Secretary of the National Hardware Association, of which I desire to read that portion which says: "I do not know if you propose being present at the meeting of the National Association of Credit Men in Baltimore this week or not, but if you are present I think you are perfectly safe in saying at that time that the sentiment of the National Hardware Association is largely in favor of the bankrupt law."

J. H. Kentnor, of St. Louis—I am acquainted with the fact that our Committee issued in pamphlet form the amendments to the bankrupt act as a whole. I do not know to what extent these pamphlets were issued to the members. It was merely sent to me as President of the Association. I read it. I did not understand it, not being a lawyer. Now, to what extent those assembled here understand the amendments as proposed I plead ignorance. I suppose to a great extent they do not understand them. I would suggest that if some one present can, in a precise way, explain to the Convention just what effect the proposed amendments will have on the bankrupt law that the body as gathered here will be in a position to vote intelligently on the adoption of the report of this committee.

Frank S. Evans, of Philadelphia—I understand that a copy of those amendments, with information as to what each individual amendment intended to do, was received by every member of this Association. This matter was greatly agitated at the time, a matter of public im-

portance, and everybody had at least an opportunity to inform himself upon those provisions. Anybody who received a copy of the amendments received a copy of the explanation regarding the amendments. It would take quite a long time to discuss all those amendments and tell what they meant, and I think the majority of those here are familiar enough with the subject to pass intelligently upon the resolution.

Calls for the question.

President Fessenden—All those in favor will signify by saying aye; opposed, no.

Resolution carried unanimously.

President Fessenden—The Secretary will read the next resolution.

Resolution read by Secretary Meek, as follows:

Resolved, That in conformity with the recommendations made by our President in his annual address, Article X of the Constitution be amended so as to provide for a Standing Committee to be known as the "Committee on Bankruptcy Law."

Motion made and seconded to adopt resolution.

President Fessenden—All those in favor will signify by saying aye.

Resolution carried unanimously.

Next resolution read by Secretary Meek, as follows:

Resolved, That the National Secretary-Treasurer be, and he is hereby, instructed to have prepared a form of bill covering the law of Conditional Sales and the recording of same, and send a copy to each local association, that it may be discussed by them to the end that a general improvement in existing laws may be secured.

Motion to adopt made and seconded.

Calls for question.

President Fessenden—All those in favor will signify by saying aye.

Resolution carried unanimously.

Next resolution read by Secretary Meek, as follows:

Resolved, That the National Association of Credit Men recommend that steps be taken in the various States to secure the enactment of laws designed to regulate the carrying on of business under an assumed or fictitious name.

Motion made to adopt.

Delegate—That resolution was passed at our last session. There is no necessity of passing it again. It is the same resolution as was adopted last year.

President Fessenden—This is simply to reaffirm it.

Resolution seconded and unanimously carried.

Next resolution read by Secretary Meek, as follows:

Resolved, That the officers of the National Association of Credit Men be, and they are hereby, instructed and empowered to pursue such course and take such action as to them seems wise or justifiable, in securing further legislation for the improvement of the Consular Service of the United States.

Motion to adopt made and seconded.

Calls for question.

Vote taken and resolution carried unanimously.

Max Silberberg, of Cincinnati—I would suggest that the Secretary name the page on which these resolutions appear that we are voting upon.

President Fessenden—The Secretary will hereafter do that.

A. H. Kaiser, of New Orleans—I notice that the Secretary omitted reading the resolution on page 6 with reference to "Conditional Sales."

Secretary Meek—That resolution was adopted. I read it, Mr. Kaiser.
Mr. Kaiser—Sorry I was asleep, Mr. President.

Secretary Meek—The Atlanta delegation desires the Secretary to read the following:

The Atlanta Credit Men's Association has inaugurated a warfare against bucket shops, and has prepared a bill which will be introduced at the coming session of the Legislature. The Association has the support of all the trade organizations of the State, all the banks, and a large majority of the merchants and manufacturers. Mr. Kirkland, of the Atlanta Association, has the bill in charge. It is intended to introduce it into the next session of the Georgia Legislature. This bill is as follows:

"To be entitled An Act to prohibit contracts and agreements for the sale and future delivery of cotton, grain, provisions and other commodities, stocks, bonds and other securities upon margin, commonly known as dealing in futures; to declare such transactions unlawful and to constitute a misdemeanor on the part of any persons, association of persons or corporation participating therein, whether directly or indirectly; to define what shall constitute *prima facie* evidence of guilt; to compel all persons participating in such transactions to testify concerning their connection therewith; to provide that no discovery made by any witness which would tend to subject him to conviction or punishment under this Act shall be used against such witness in any penal or criminal proceeding, and that he shall be altogether pardoned therefor; to exempt from the operation of this Act purchases and sales of commodities by manufacturers or wholesale merchants in the ordinary course of business; to provide that regular commercial exchanges and other *bona fide* trade organizations may post quotations of market prices, and for other purposes."

President Fessenden—The next business is the consideration of the report of the Committee on Improvement of Mercantile Agency Service.

Resolution on page 4 of the report read by Secretary Meek as follows:

WHEREAS, The members of this Association have been requested to keep a record-book for comparison of service rendered by the different Mercantile Agencies; and

WHEREAS, But few have done so, owing to the detail connected with the record and its analysis being in the main part misleading; therefore, be it

Resolved, That we favor the discontinuance of the record-book so far as the Association is concerned, for the purposes of comparison, except in so far as each member may wish to do so, for his own particular benefit.

Motion to adopt made and seconded.

Calls for question.

Resolution unanimously adopted.

Resolution on page 5 read by Secretary Meek as follows:

WHEREAS, it has been reported that R. G. Dun & Company and the Bradstreet Company have discontinued issuing the daily and weekly sheets in the Districts of Michigan and Wisconsin, which action we deem seriously affects the efficiency and value of the service rendered in such districts; and

WHEREAS, Reinstatement of such daily and weekly sheets has been requested by the local members of our associations of the local managers of the agencies in the districts involved, and recourse denied; therefore, be it

Resolved, That the Secretary-Treasurer be, and he is hereby instructed to communicate with the headquarters of R. G. Dun & Company and the Bradstreet Company, indicating the wishes of the National Association of Credit Men, that the reinstatement of the daily and weekly sheets be made

in all districts where the same have been discontinued without the discontinuance of any other special information that is now being furnished.

Kenneth Taylor, of Cleveland—I move its adoption. I might say that the Cleveland Association has already taken similar action.

Max Silberberg, of Cincinnati—I would like to be informed whether Dun issues a daily sheet. My recollection is that they only issue a weekly sheet.

Delegate—In St. Louis Dun issues a daily sheet.

H. L. Eisen, of Milwaukee—In Wisconsin the daily sheet has been discontinued, but there has been a substitute service put in. Now a substitute does not answer the purpose of our merchants, many of whom have protested, and we have joined the Michigan contingent in bringing in this resolution, and we ask the support of the Association to the resolution.

Howard Marshall, of New York—I would like to ask what the daily sheet is?

F. E. Huggins, of Columbus—We had it in Columbus, Ohio. I understand it was printed in Cleveland, and came by express. It gave the changes which occurred in Ohio and Indiana. But that service has been discontinued recently, and therefore, I want Ohio mentioned as well as Wisconsin and Michigan in the resolution. They are treating us the same way.

O. P. Taylor, of Wichita—We get daily sheets from both Dun and Bradstreet.

N. B. Handy, of Lynchburg—In Lynchburg we know nothing of daily sheets. We have only weekly sheets.

M. Weil, of Lincoln—We get daily sheets from Dun and Bradstreet, and I am surprised to learn that in the East you don't get them.

A Delegate—Where they have cyclones which pick up a man's property and transfer it daily, I think they need daily sheets! (Laughter.)

W. P. Peter, of Dallas—We had a cyclone in Texas this year, but we get daily report sheets in the cities of Dallas and Fort Worth and all other Texas places that I know of.

H. E. Choate, of Athens, Georgia—It seems to me an important question. I think we ought to make it general.

J. A. McKee, of Philadelphia—The agent for Bradstreet in Philadelphia is present. I have no doubt he would tell us why they were discontinued.

A. H. Kaiser, of New Orleans—We have before us this resolution stating that it is the wish of the National Association of Credit Men that the members in the various cities be given daily sheets by both Dun and Bradstreet. There is a very important factor in the running of the Bradstreet Agency. I don't know whether any representative would care to hear what I have to say, but they have a peculiar custom of sending out a notice. "John Smith, Arkansas: If interested call at the office." We don't want that form of information. The daily sheets might be a very good thing, but we want daily information, and the wish of this Association, I think, will be that the Bradstreet Agency be requested as a personal favor to all its subscribers that instead of sending out a notice to call at the office, or that John Smith has burned out, or that there is a change of rating, that they state facts. We have subscribed for their service and the information given us is supposed to be confidential. We treat it as such, and since it is confidential I think that Bradstreet should issue the facts. That is the wish, I think, that we desire to put before the Bradstreet Company.

President Fessenden—Does the gentleman offer that as an amendment?

A. H. Kaiser—I do.

Amendment seconded.

President Fessenden—The Secretary will read the amendment. Have you written it out?

A. H. Kaiser—No, I haven't.

Resolution read by Secretary Meek, as follows:

"That it is the request of the National Association of Credit Men, in convention assembled, that the Bradstreet Company issue to its subscribers (instead of a request to call at their office) a report containing the information which they have to give out."

M. E. Bannin, of New York—Mr. Chairman, I would like to ask the Chair to make inquiry if there is not a representative of Dun's or Bradstreet's here who will explain. I never heard of a daily sheet until this session, and I think that some explanation is due us. Let us vote intelligently upon this amendment.

J. H. Kentnor, of St. Louis—I rather think Mr. Kaiser's idea is a little erroneous. He is getting away from the subject before the Convention. The resolution deals with the daily sheet. Mr. Kaiser is talking about a change in the information. Now, it is customary in St. Louis when you make an inquiry upon any party, and within a certain period there is a change in the rating, for the Agency to send you a notice of that fact, and if you want the information you sign a ticket, and pay for the information as though you were making a new inquiry. Now, Mr. Kaiser's position I do not think is tenable. If you pay them two or three hundred dollars a year for the use of the book, it doesn't mean that you are to have a free report on every person, but any number over and above your minimum you have to pay for at the rate your contract calls for. I do not think the amendment is in order, and I hope that it will not be carried, because you are asking them to give something that I don't think you would give. As far as the daily sheet is concerned, from my positive knowledge, R. G. Dun & Co. and the Bradstreet Company have been issuing in St. Louis for over twenty-five years daily reports that give you the changes in certain territory. They don't cover the larger cities in the East, nor all the States, but they give you information covering the district reported, of the firms going out of business and burned out. They also report chattel mortgages and other items of record.

Hugo Kanzler, of New York—It appears to me that the amendment offered is not germane to the matter before the Convention, and I ask the ruling of the Chair.

Howard Marshall, of New York—I desire to say that I misunderstood his resolution. I thought that that resolution was to be acted upon in conjunction with the one now before the Convention.

President Fessenden—That is the understanding of the Chair.

Howard Marshall—There is no more important matter before this Convention, and I hope that you will not neglect it, and that the agency service will be improved to every possible extent.

President Fessenden—Mr. Kanzler, do you wish a ruling?

Hugo Kanzler—I ask for a ruling. The question is whether the amendment is germane to the matter before the house.

Resolution and amendment read by Secretary Meek, as follows:

WHEREAS, It has been reported that R. G. Dun & Co. and the Bradstreet Company have discontinued issuing the daily and weekly sheets in the districts of Michigan and Wisconsin, which action we deem

seriously affects the efficiency and value of the service rendered in such districts; and

WHEREAS, Reinstatement of such daily and weekly sheets has been requested by the local members of our Associations of the local managers of the agencies in the districts involved, and recourse denied; therefore, be it

Resolved, That the Secretary-Treasurer be, and he is hereby, instructed to communicate with the headquarters of R. G. Dun & Company and the Bradstreet Company, indicating the wishes of the National Association of Credit Men that the reinstatement of the daily and weekly sheets be made in all districts where the same have been discontinued, without the discontinuance of any other special information that is now being furnished.

Resolved, That it is the request of the National Association of Credit Men that the Dun and Bradstreet Companies issue to interested subscribers all special information, instead of requesting subscribers to call at their offices for such information.

President Fessenden—The Chair is of the opinion that the point of order is well taken. (Applause.) The original resolution is before you.

B. E. Borges, of Chicago—I think that by the addition of a very few words to the original resolution it can be made to cover every possible contingency, and whether you want to consider it as an amendment, or with the words inserted as a substitute, I think that following the word "discontinued" supply the words, "and not at present supplied." That will give everyone a daily sheet. Then prevail on Dun and Bradstreet to issue special information, and that will cover every possible contingency where the people have not been in the habit of receiving a daily or weekly sheet. In Chicago we get daily and weekly sheets and special reports, with sufficient information to indicate what has been doing. I would like to offer that, with the words inserted, as a substitute for the present resolution.

President Fessenden—Does the Chairman of the Committee accept that amendment.

C. A. Simon, of Detroit—I think it is entirely too broad. Some members have said that they have no use for the sheets. I have also met many members who have said they had no use for the sheets; that they were put on their desks and no use was ever made of them. I would recommend the reinstatement of the sheets in the territory where complaint has been made, where the sheets have been considered of value to have them restored. I do not think we should ask too much, especially for those places where they do not care for the sheets.

President Fessenden—The Chairman of the Committee declines to accept the amendment.

A. H. Burt, of Buffalo—I second the amendment, and I wish to say that I cannot quite understand why Mr. Simon should take the stand that he does. I presume to say that if he would talk with some in the district of Wisconsin he would find that they have no use for the sheets, but probably many do have use for them. Some that he may have talked with here from sections where they don't get them would say that they have no use for them, but the majority probably would have use for them. It strikes me that what is good for Wisconsin is good for New York City, and what is good for one section is good for another. If the daily or weekly change sheet is good for one it is good for all, and there is no reason why all should not have the

benefit of what the few have. (Applause.) Take it with us in Buffalo. I believe we have both the daily and weekly sheets. The daily sheets are furnished to subscribers who pay for them. The weekly sheets are furnished to all subscribers.

President Fessenden—The question is on the amendment. Are you ready for the question? All those in favor of the amendment will signify it by saying aye. The amendment is adopted. The resolution as amended is before you. Are you ready for the question? All those in favor of the adoption of the resolution will signify it by saying aye. The resolution as amended is adopted.

Next resolution read by Secretary Meek, as follows:

WHEREAS, The reports issued by Bradstreet and R. G. Dun & Co. are not uniform in their order of presentation of facts and figures, thereby giving a jumble of information which is unsatisfactory in form and difficult to analyze; and

WHEREAS, By adopting a standard form of report, the merit of which lies in its being for the mutual benefit of both agency and subscriber; therefore, be it

Resolved, That the National Association of Credit Men strongly advocates the adoption of the "Zenner" universal form of mercantile report by both R. G. Dun & Co. and the Bradstreet Company, and that the Secretary-Treasurer be and is hereby instructed to communicate our wishes to both named agencies.

Motion to adopt made and seconded.

Thos. P. Robbins, of Cleveland—I wish to offer an amendment, that in the first paragraph we strike out the three words "a jumble of;" that in the body of the resolution we use the word "form" instead of the words "universal form." Now as to my reasons: I do not like any flavor of ill-feeling to go on record. I think we ought to approach R. G. Dun & Company and Bradstreet's and any other agencies as friends, and ask for what we want. So I think those three words entirely unnecessary, and that we might avoid them. Then in the matter of form: The form suggested is an excellent one, but I would ask for one form for a dealer and another for a manufacturer.

Amendment seconded.

B. E. Borges, of Chicago—I would like to ask about the size of the form. The reason I raise that is because in the universal system of filing to-day the size would not conform to the regular file, and I think there would be considerable opposition if the resolution were adopted, because it would not fit the files in use to-day. If I were permitted to offer a suggestion in respect to this resolution it would be to stipulate the size of the sheet and make it to conform with the universal files being used in the United States. I put that in the form of an amendment, gentlemen.

President Fessenden—Does the Chairman accept that?

Amendment accepted by the Chairman.

H. T. Smith, of Chicago—It strikes me that the date on the report should be placed somewhere on the sheet where it can very readily be seen. When I refer to a report the first thing I look for is the date, and I would suggest that the date be placed at the top by itself so as to make it as plain as possible.

President Fessenden—Will the Chairman accept that suggestion?

Suggestion accepted by the Chairman.

F. W. Risque, of St. Louis—I would like to second the amendment of Mr. Robbins, of Cleveland. We should tell in this resolution as well as we can what we wish. Let us work with them rather than against them. We have informed them in this resolution of our wishes; let us

not criticise their work in any manner that might be unpleasant. I think it can be avoided, and therefore second the amendment of Mr. Robbins. In addition I would like to state as to the change in form, that I believe it would be absolutely impossible for us to agree upon any form. We all have different files, different systems in our office, and it would be a very hard thing to agree upon. This committee has studied this subject very carefully. As to the form—while I might make some suggestions and criticisms—I would rather accept it as it is than carry the matter further. I hope that the amendment will prevail.

A. H. Kaiser, of New Orleans—In this universal form that is being agitated here is the question of what form shall be issued by the agency to the dealer and what form shall be issued to the manufacturer, and my friends on the other side have raised the question as to the size. In going over the form I notice several omissions and one in particular. There is to-day a weakness on the part of nine-tenths of the country merchants for gambling in stocks or futures. Even in as small a town as Lexington, Mississippi, there are two bucket shops, and when a traveling man goes to a customer in that town he is directed to the bucket shop; the merchant is there buying or selling corn. I have, unfortunately, been caught by three failures due to speculation. I think if we are to know whether a man carries insurance, or has ever burned out or failed, or if there are any mortgages or liens, we ought to know also whether he dabbles in futures. There is at the present time in the State of Georgia an effort being made to do away with bucket shops and cotton exchanges. I believe that we should insert in this universal mercantile agency form the question, "Do you deal in futures, or are you a speculator on margins?"

President Fessenden—Do you offer that as an amendment?

Mr. Kaiser—I do.

W. P. Peter, of Dallas—Throughout all of the country that is an important question to have answered. A great deal of our troubles in Texas come from that evil, as you all know who are from the South and Southwest.

President Fessenden—Does the Chairman accept that amendment.

C. A. Simon—No, I do not, because I think ninety-nine times out of a hundred he would say "no." You might as well ask him what church denomination he belongs to, or whether he drinks.

Hugo Kanzler, of New York—We know that in the past, and we believe that in the future, the agencies, having particular reference to Bradstreet's and Dun's, have always treated us with the greatest consideration, and any suggestion that is made at this Convention that is necessary by reason of circumstances and conditions and will be of benefit to us, and can be applied, the agencies will grant, and I therefore think it certainly out of place and improper. I would not say to the Dun and Bradstreet Agencies that we strongly advocate any form. We perhaps might say to the agencies, give us the best that you can, irrespective of the name of any particular form. I think, gentlemen, you would get more benefit by reason of a simple application of this kind than you would by saying, give us the "Zenner" form, or the "Kanzler" form, if you will.

A. H. Kaiser, of New Orleans—Mr. President, I rise to a question of personal privilege.

President Fessenden—Very good, sir.

Mr. Kaiser—If the gentleman who has just spoken has raised the point of order for the purpose of protecting the agencies as against the

influence of the members present, we have the privilege of speaking again on the subject.

President Fessenden—The Chair did not understand that the gentleman rose to a point of order. He was discussing the amendment before the house. (Applause.)

Mr. Kaiser—I take an appeal from the decision of the Chair, and state that the gentleman in his remarks did say that it is an offense for the members of this Association to tell the agencies the kind of report they shall send out and what they shall not send out, and that we will get better service by having them give to us the best they know how. That is a defense, and I must appeal from the decision of the Chair.

President Fessenden—The Chair does not understand that a point of order was raised in the remarks of the speaker, speaking to the resolution before the house. The Chair rules that there was no point of order raised by Mr. Kanzler, and the gentleman will proceed with his argument. (Applause.)

A. H. Kaiser—With the approval of the Chair, I want to say that while we should not infringe on the rights or privileges of either agency, I do believe that we are lending them a helping hand when we suggest to them the issuance of a form such as we are to-day offering to them. I think that we are favoring them, and that while we will benefit thereby, they in turn will also be benefited, for they are really getting more benefit from the information that the credit man gives to them than the credit man obtains from the information they give, because they say very plainly in the body of their report that they are giving a statement on the party inquired about without consulting authorities. They don't give you facts, they give you imaginary figures. And I do say that when we come before this Convention and propose to assist both Dun and Bradstreet, or any other agency doing business in the United States, we are doing them a personal favor. We are not trying to tell them how they shall run their business when we advocate a form which will assist every credit man, the same as if there were a union prayer book. We could all trade alike and do business alike if we get together and know that we have a standard by which we can measure credit. We will know the man we are going to give merchandise to, and we can do it more intelligently and rightly than we can by getting a report that is purely chaotic and have to draw our own conclusions from it.

David S. Ludlum, of Philadelphia—I am heartily opposed to any set form being recommended to the mercantile agencies. I think we rob the report of its individuality when we confine a man to writing reports in one style. I think I can speak authoritatively, because I have to write reports. I represent a bank and have to prepare reports to go before the directors, and if I had any set way for doing so I could not write as intelligent a report as I can by treating each case individually. Therefore, I am opposed to a set form. I think it would be a handicap to all the agencies. I would move that the matter be laid on the table.

Seconded.

President Fessenden—Moved and seconded that the amendment be laid on the table. All those in favor signify it by saying aye; opposed, no. The noes have it. The motion is not carried.

Thos. P. Robbins, of Cleveland—May I speak on the second amendment? The Dun Agency, as you know, has one form of report, and Bradstreet another. This resolution will carry to them a suggestion as to what we want to get at, a uniform report, something we can turn

our eye on and find what we are looking for. That is all we are asking for.

Calls for the question.

President Fessenden—The question as the Chair understands it is on the amendment of Mr. Kaiser that questions relating—

A. H. Kaiser—One more question in the body of the suggested form to the two agencies.

President Fessenden—What is the wording of that question?

Mr. Kaiser—"Do you speculate?"

Thos. P. Robbins—Wasn't that put and lost, Mr. Chairman? I would accept that amendment.

President Fessenden—No, sir; it was not put and lost. No vote has been taken.

J. A. McKee, of Philadelphia—The agencies state that if any inquirer, seeking special information on any one party, asks for it, they will endeavor to the best of their ability to give it. They at all times respond promptly to requests made from our house. We receive the utmost courtesy from Dun's and Bradstreet's, and the managers frequently come to the office to endeavor to get a line on what we want. Our local branch has taken this matter up with Dun and Bradstreet. I think I may say in a fair and intelligent manner, and I know that at the present time the managers in New York have under consideration a form largely improving the service now rendered, in answer to requests made by members of the Association from all parts of the country. They are endeavoring to conform to those requests, and any action that we take to-day should be merely in the line of a suggestion.

Hugo Kanzler, of New York—In order to overcome what has apparently been a misunderstanding (probably the gentleman misconceived my intention), I only offer my personal opinion, that is all—take it for what it is worth—that we do not tell the Dun and Bradstreet people to stamp "Zenner" on their report. I move, therefore, that the words "the Zenner" be stricken out, and that it read that they shall adopt a universal form.

W. P. Peter, of Dallas—I second that.

T. P. Robbins—I accept that amendment.

President Fessenden—The amendment is accepted, the question before you is on the amendment of Mr. Kaiser that there be inserted the question, "Do you speculate on margins?" All those in favor signify it by saying aye; opposed, no. The amendment is lost. The amendment of Mr. Robbins is now before you.

Secretary Meek—The resolution as amended by Mr. Robbins reads as follows:

WHEREAS, The reports issued by Bradstreet and R. G. Dun & Company are not uniform in their order of presentation of facts and figures, thereby giving information which is unsatisfactory in form and difficult to analyze; and

WHEREAS, By adopting a standard form of report, the merit of which lies in its being for the mutual benefit of both agency and subscriber; therefore, be it

Resolved, That the National Association of Credit Men strongly advocates the adoption of a universal form of mercantile report by both R. G. Dun & Company and the Bradstreet Company, and that the Secretary-Treasurer be, and he is hereby, instructed to communicate our wishes to both named agencies.

Calls for question.

President Fessenden—All those in favor of the amendment will signify by saying aye; opposed, no.

Amendment unanimously adopted.

President Fessenden—The original resolution as amended, with the suggestions accepted by the Chairman, is before you. Are you ready for the question? All those in favor of the resolution will signify it by saying aye; opposed, no.

The resolution is adopted. (Applause.)

President Fessenden—Any further business under the head of this committee? If not, we will take up the report of the Special Committee on Adjustment Bureaus. Mr. David S. Ludlum, of Philadelphia, Chairman, will read the report. (Applause.)

Report read by Mr. Ludlum as follows:

Report of Special Committee on Adjustment Bureaus.

To the Officers and Members of the National Association of Credit Men:

GENTLEMEN: At the Annual Convention held in Memphis last year the Committee on Credit Department Methods, among other things in its report, called attention to the following resolution which had been adopted by the Convention at its 1904 session:—

"Resolved, That the National Association of Credit Men, in Convention assembled, recommends the establishment of Adjustment Bureaus by the local Associations, based upon the plan of the Denver Adjustment Bureau;"

and stated that the wisdom of the Convention in taking favorable action on this question had been fully confirmed by the interest displayed and the advancement which the movement had enjoyed. The Committee also gave statistics of the work of the Denver Bureau, and offered resolutions strongly recommending and urging the extension of this feature of Association work, which resolutions were unanimously adopted. Considerable discussion was had on the economy of organization and work of Adjustment Bureaus and various suggestions were made to the end that uniformity of plan and cost in operation might be established and maintained.

A number of resolutions bearing on the subject were presented to the Convention and freely discussed. Eventually, upon motion, all pending resolutions on the matter were referred to the Board of Directors with power to act.

At the annual meeting of the Board of Directors of the National Association of Credit Men held in Chicago, October 23, 1905, the Secretary-Treasurer presented for consideration the following resolution which had been adopted by the Memphis Convention:

"Resolved, That our Board of Directors be authorized to appoint a committee to assist and advise with the local Associations relative to the establishment and methods of Adjustment Bureaus, and it is believed that it will be advantageous that such committee be selected from a central city."

The Board of Directors, acting under this resolution, appointed the Chairman of the Investigation and Prosecution Bureau, David S. Ludlum; the Chairman of the Committee on Credit Department Methods, Eugene S. Elkus, and Secretary-Treasurer Charles E. Meek, as a Special Committee on Adjustment Bureaus.

The Board then considered certain resolutions offered at the Annual Convention by the Cincinnati and by the Pittsburgh Associations. These Resolutions referred to the question of the division of territory in the matter of the operations of Adjustment Bureaus. After a full discussion it was moved, seconded and carried that the entire matter be referred to the President and the Secretary-Treasurer.

These officers, later, referred the subject to this Committee. Very careful consideration was given it. We recognized and appreciated the fact that few Bureaus had, as yet, been organized, that it was a formative period in their history and that certain details of their operation must of necessity for a time be experimental. Indications at the time pointed with certainty to a rapid growth in numbers and, viewing the situation from a conservative standpoint, it was determined to defer action suggested by the resolutions and, during the process of development, act in an advisory capacity. The wisdom of this decision is evidenced by the fact that during the year the increase in number has been so large that had territory been assigned and marked by definite boundary lines the committee would have found itself hopelessly entangled and compelled to keep up a constant revision. The plan followed exhibits results entirely satisfactory. As illustrating said results we refer to the fact that Columbus and Cincinnati have mutually decided upon territory in which each shall operate, while Philadelphia and Pittsburgh have had no difficulty in arriving at a satisfactory understanding in the allotment to each of portions of Pennsylvania which embraces the entire State. A very careful study of this problem has convinced the Committee that in the division of territory among the various Bureaus the best results could be obtained by designating the United States Judicial District adjacent to each Bureau—embracing all, or part, of the same, as may be deemed best in each individual case, and your Committee offers at the close of this report, a resolution to that effect.

On assuming its duties the Committee ascertained that six of the local Associations had Bureaus in operation at the time the Convention was held in Memphis, viz.: Portland, San Diego, Seattle, Nashville, Denver and Philadelphia. During the interval between the time of the Convention and the appointment of the Committee, seven other Bureaus had been formed so that when the Committee came into existence thirteen Bureaus were in operation.

Correspondence was at once opened with all of these with a view to securing data, covering their form of organization, plan of operation and schedule of costs.

The Committee also had correspondence with those associations which had not yet formed Adjustment Bureaus and learned that a number had the proposition under favorable consideration.

Since the appointment of the Committee in October eleven additional Bureaus have been organized, and at the present time there are twenty-four Bureaus representing twenty-six local associations as follows:

Portland, Oregon; San Diego, Cal.; Seattle, Washington; Nashville, Tenn.; Denver, Colorado; Philadelphia, Pa.; Fort Worth, Tex.; Grand Rapids, Mich.; Pittsburgh, Pa.; Cincinnati, Ohio; Spokane, Wash.; Columbus, Ohio; Los Angeles, Cal.; Youngstown, Ohio; Memphis, Tenn.; Atlanta, Ga.; Dallas, Texas; Buffalo, N. Y.; Cleveland, Ohio; Minneapolis, Minn.; St. Paul, Minn.; Milwaukee, Wis.; Rochester, N. Y.; Kansas City, Mo.; Salt Lake City, Utah, and St. Joseph, Mo.

The Local Association at San Francisco had organized and put into operation a Legal Bureau on January 10, 1906.

In addition to the above the following local associations have

advised that they have the matter of organizing bureaus under consideration, viz.: Savannah, Ga.; Des Moines, Iowa; Chicago, Illinois; Duluth, Minn.; Houston, Texas, and Richmond, Va.

The New York Credit Men's Association has appointed a special committee to inquire into and ascertain in what manner and by what method it can best assist the various local associations in the successful operation of their Adjustment Bureaus.

Your Committee desires to call attention to the fact that the Merchants' Protective Association of Portland, Oregon, is the Adjustment Bureau of the Local Association of Credit Men in that city. It has been operating upwards of thirty years and recently became affiliated with the Portland branch.

On October 1, 1905, the Los Angeles Association of Credit Men took over the adjustment work of the Wholesalers' Board of Trade and the Los Angeles Board of Trade. The latter had been in operation for a period of twenty years.

The Bureau of the Association at Seattle, Washington, is operated under the name of Merchants' Protective Association and was established in 1901.

The Utah Association of Credit Men, of Salt Lake City, which by resolution at an annual meeting held on May 5, 1906, affiliated with and became a member of the National Association of Credit Men, has had an Adjustment Bureau in operation for a number of years.

The remaining designated Bureaus have been established by their respective Associations.

Minneapolis and St. Paul, Minn., operate a joint adjustment bureau under the name of Northwestern Jobbers' Credit Bureau and Dallas and Fort Worth, Texas, operate a joint adjustment bureau under the name of North Texas Credit Men's Adjustment Bureau.

Your Committee desires to submit, herewith, some statistics showing the results of adjustment bureau work:

From February 15, 1905, to October 1, 1905, Denver handled thirty-four cases representing liabilities of \$115,595.00. Six cases paid over ninety per cent.; two over seventy per cent.; nine paid forty-five to seventy per cent.; four paid twenty-five per cent.; one paid ten per cent.; one paid five per cent. and twelve cases remained uncompleted. Ninety per cent. was realized from the sale of merchandise, sixty-five per cent. from the sale of fixtures, good book accounts collected in full, and twenty-two per cent. on all book accounts. Fifty-five per cent. was the average paid to creditors. There were three court cases which cost seven and five-eighths per cent. for attorney's fees and nineteen and one-half per cent. for all expenses; this is based upon the cash realized. Taking these cases out of the totals the per cent. for attorney's fees was three-quarters of one per cent., and for all expenses they were seven and one-half per cent.

From December, 1904, to November 30, 1905, Seattle handled fifty cases and the amount realized from the assets of thirty-eight cases closed during the year was \$37,596.50 or about forty-six per cent. of the total indebtedness which amounted to \$81,595.35. The expense of administration averaged twelve and one-half per cent. of the amount realized, thus netting creditors an average of about forty per cent. Of nine bankruptcy cases of record during the same period there was realized from assets \$16,155.40 or a little less than forty per cent. of the general indebtedness. General creditors received as dividends fifty-four per cent. of the amount realized.

During the fiscal year ending April 30, 1906, the Utah Association of Credit Men handled sixty-two cases. The total liabilities amounted to \$236,994.29. On these claims the Association paid ninety-two dividends averaging fifty-four per cent.

The Bureau of the Youngstown, Ohio, Association has been established but a short time. It has settled five cases. In these the liabilities amounted to about \$25,000 and the assets, less the cost of administration, about \$20,500. The creditors received in dividends an average of eighty-two per cent. on their claims and the cost of operation was but a fraction over three per cent.

The Columbus, Ohio, Bureau reports the settlement of five cases (three in bankruptcy, one assignment and one without court proceedings of any kind) with assets of \$8,550; liabilities \$22,800. The creditors were paid an average of forty-eight per cent. and the cost of administration averaged seven and one-half per cent.

The North Texas Credit Men's Adjustment Bureau, composed of the Dallas and Fort Worth local associations, during its ten months' existence to June 1, 1906, had fifty-two cases referred to it. Twenty-two of these are still in process of adjustment. Of the thirty-two settled, in full five paid one hundred cents; five paid eighty-five cents; two paid seventy-five cents; five paid fifty cents; five paid forty cents; and ten paid less than forty cents. The Bureau has prosecuted and sent one fraudulent debtor to the penitentiary, has assisted in the prosecution of another that was sent to the penitentiary, and at the present time has another under arrest for the same offense, whose trial will be held at the next term of court.

The report of the Pittsburgh Bureau from August 15, 1905, to May 1, 1906, shows that during that period fifty-one cases had been referred to it—thirty-seven of which the Bureau was directly interested in. Eleven of these thirty-seven cases have been amicably adjusted and disposed of. They represented assets of \$92,701.24 and liabilities of \$154,591.23. Total cost for Bureau expenses were \$3,036.60 on a basis of approximately three and one-half per cent. and paid attorneys' fees \$375.00, realizing from the sale of merchandise and fixtures an average of ninety-two per cent. on the appraised value thereof. It collected by suit or otherwise all the book accounts owing the insolvent estate (except from some debtors who were execution proof), and more than fifty per cent. of all book accounts. In the settlement and liquidation of nine of the foregoing estates amicably, in which the liabilities were \$60,591.23, the Bureau realized in proceeds from the assets \$25,000.00 at an expense of a fraction less than seven per cent., and in the settlement of the remaining two in which the liabilities were \$94,000 it disbursed the proceeds realized from the assets \$72,000 at a cost of less than one per cent. (Applause.) Therefore, the general average of cost on the amount disbursed was approximately three and one-half per cent. The general average costs in amicable adjustments has been and will be, however, in the neighborhood of seven per cent., depending upon the nature of the assets and the amounts involved in the estate. The Bureau has in the course of liquidation two estates in one of which the liabilities are \$3,800.00 and the assets when all converted will be more than sufficient to pay one hundred cents on the dollar; and in the other, in which the liabilities are \$8,000.00 and the assets in hand \$7,500.00, will, when closed, pay to creditors ninety-five to ninety-seven per cent. The liabilities in the estates now in the course of liquidation in which officers of the Bureau have charge of the estate directly are \$95,810.49 and the assets on hand \$25,500.00, all of which will be closed within the next sixty days. The liabilities in the remaining seventeen estates, of

which the officers of the Bureau do not have absolute control and management, are \$232,963.02 and the assets \$79,848.05. The total liabilities in all the estates in which the Bureau has been or is now interested are \$483,364.74 and the total assets \$198,049.29. This does not include certain assets supposed to be portions of the several estates referred to, contemplated by the authorities to be recovered and made assets of such estates. Several cases will pay one hundred per cent., three cases have paid thirty-five per cent. or over thirty per cent., two over twenty-five per cent. and two over twenty per cent. None has paid less than twenty-one per cent. among the cases already closed. The Bureau reports that during the period of its existence it has been self-sustaining and that the business on hand assures that it will continue to be self-sustaining.

This Committee is in possession of the details of operation in a large number of cases handled by the various Bureaus, but we do not deem it advisable to burden this report by a recital of the same, as no doubt, delegates who are present will acquaint you with them from the floor of the Convention during the general discussion of the subject which will follow the Committee's report.

The objects and aims of Adjustment Bureaus are:

1. To investigate, upon request, the affairs of a debtor reported to be insolvent and adjust the estate, when possible, without court proceedings.
2. To secure capable and efficient Receivers, Appraisers or Trustees when Court proceedings are found to be necessary.
3. To secure quick adjustment of all honest failures at the minimum cost and with the maximum dividend to the creditors.
4. To facilitate and economically secure extensions or liquidations when upon investigation, it is found to be to the best interests of all.
5. To influence concerted action by the creditors for the benefit of all.
6. To assist creditors to acquire for their own use the estate of failing or insolvent debtors, when mutually agreed upon.
7. To prosecute or assist in the prosecution of the guilty party, or parties when investigation discloses fraud or the intent to defraud.

Experience has convinced your Committee that no Adjustment Bureau should represent a creditor without proper authority. To simplify matters and secure a uniform method, your Committee suggests the adoption of the following form of Agreement by all local Associations:

.....herewith authorize and empower.....
to represent..... claim of.....
(\$) Dollars which.....have against.....
, of....., for
 goods sold and delivered, or money loaned, as per attached statement.
 And in consideration of other creditors of the said.....
placing their claims against said.....
for settlement in the hands of.....
hereby agree to abide by the recom-
 mendation and action of.....in the settle-
 ment of.....claim or to institute an investigation into the
bona fides of.....'s failure with a
 view to criminal prosecution, if fraudulent.

Dated.....

Your Committee strongly urges and recommends that each local Adjustment Bureau keep accurate data relative to its work and operation, to the end that statistical information may be compiled and disseminated.

In conclusion we desire to offer the following resolutions:

Resolved, That the National Association of Credit Men in Convention assembled recommends the continued establishment of Adjustment Bureaus by the local Associations, based upon the objects and aims as outlined herein.

Resolved, That we recommend to local Bureaus a division of territory in which each shall operate, and that said territory be mutually agreed upon between them. We further recommend that in designating such territory they select as boundaries the Federal Judicial Districts of the United States as prescribed and designated by the Department of Justice.

Resolved, That the National Association of Credit Men in Convention assembled hereby recommends that Article X of the Constitution be amended so as to provide for the appointment of a Standing Committee of five to be known as the Adjustment Bureau Committee.

Respectfully submitted,

CHAS. E. MEEK,
EUGENE S. ELKUS,
DAVID S. LUDLUM, *Chairman*.

(Long Applause.)

President Fessenden—The Secretary will read the first resolution.

Resolution read by Secretary Meek as follows:

Resolved, That the National Association of Credit Men in Convention assembled recommends the establishment of Adjustment Bureaus by the local associations based upon the objects and aims as outlined herein.

David S. Ludlum, of Philadelphia—I move the adoption of the resolution.

President Fessenden—The resolution as read by the Secretary is now before you for your action.

F. W. Risque, of St. Louis—I second the motion.

President Fessenden—All those in favor of the adoption of the resolution will signify it by saying aye; opposed no. The resolution is adopted. The Secretary will read the next resolution.

Secretary Meek—In connection with the first resolution there was a slight change made by the Chairman, who has notified me of it—the striking out of the word “continued.”

President Fessenden—If there is no objection to the change being made, we will accept the resolution as adopted. The Chair hears no objection. The Secretary will read the next resolution.

Resolution read by Secretary Meek, as follows:

Resolved, That we recommend to local Bureaus a division of territory in which each shall operate, and that said territory be mutually agreed upon between them. We further recommend that in designating such territory they select as boundaries the Federal Judicial Districts of the United States as prescribed and designated by the Department of Justice.

Max Silberberg, of Cincinnati—I offer an amendment to the resolution as follows:

After the word “Justice” add the words “and after such boundary lines are agreed upon to submit same to the National Secretary, who

shall send a copy thereof to every member of this Association." I could dwell on the merits of this amendment, but I believe it is so good that the Chairman of the Committee will accept it without wasting any further time in explanation.

D. S. Ludlum—I accept the amendment.

President Fessenden—The Chairman of the Committee accepts that amendment.

It was moved and seconded that the resolution be adopted.

President Fessenden—All in favor of the adoption of the resolution signify the same by saying aye, opposed, no. The resolution is adopted.

Wilmer L. Moore, of Atlanta—I wish to offer the following resolution:

Resolved, That the members of the National Association of Credit Men, in cases of failure or bankruptcy proceedings, be requested to correspond with the nearest Adjustment Bureau before placing their claims in the hands of an attorney or collection agency, and that printed copies of this resolution be issued together with the report of the Special Committee on Adjustment Bureaus and a list of the Bureaus established, also a list of the managers of said bureaus, the same be mailed to the individual representing each firm or corporation holding membership in the Association.

President Fessenden—Will the gentleman please send the resolution to the desk?

Wilmer L. Moore—In offering this resolution I do so because of my interest in Adjustment Bureaus. We have labored industriously in Atlanta for the establishment of such a Bureau, and we have succeeded in having one organized under that name. But we find the commercial world does not seem to understand the workings of them. Our Bureau has been in existence about five months. Locally we do not have the full co-operation, I am sorry to say, of our members. Success can only be brought about with full co-operation of the membership of the National Association. The main object of a bureau of this kind is to secure commercial claims, and thus control the election of referees or trustees in bankruptcy, so that under one expense we can send a competent representative to the place where the failure has occurred, and obtain not only the control of the claims but the control of the situation. You, gentlemen, doubtless, have had the experience which I have had that in cases of failures a majority of the creditors simply make out their proof of claim and power of attorney, and send them to the referee for filing. This, frequently places the entire matter in the hands of friends who are interested in the debtor, and we do not obtain the results which we are entitled to. Neither is the bankrupt put through the sweat-box process to obtain information as to what disposition he has made of his assets. The consequence is that in most cases the bankrupt does not disgorge all of his assets. If you gentlemen have given the matter full consideration and have examined into the workings of a bureau established on sound principles, and in the hands of a competent manager, you will readily understand that under the present bankrupt act this is the way to get the full benefit of the assets of a bankrupt. In our own town we have employed at a salary of two hundred dollars a month (and down there that is still a good deal of money for a salaried man), a very competent man, one who has had experience, first with the Bradstreet Agency as manager and then connected with one of the largest wholesale establishments in our city—a house doing, probably, a business of a million and a half to two millions a year. That is a large volume of business with us. This gentleman is well-qualified to look after the interests of every creditor. We have as members of our association some thirty or forty of

the leading business men of the town, but our bureau cannot continue to exist unless we have your support. In cases of bankruptcy I have personally, together with the manager, written to the leading houses who happened to be interested in certain failures—often in cases where I was not interested—and this is the reply I have received almost invariably: "Before the receipt of your letter we had placed our claim in the hands of our attorneys. We will request them to co-operate with you." That isn't worth the paper it is written on. Attorneys do not co-operate with adjustment bureaus. Their interests are not identical. When you write that to your attorney you are simply wasting time, and we obtain no benefits from it. That has been proven by the fact that when we get upon the scene with almost a sufficient number of claims to control the situation, we go to an attorney whose client has written us that he will co-operate with us and whose co-operation we have asked, and nine times out of ten we fail to secure his support. For this reason I ask in my resolution that members of this Association having claims to place be requested to correspond with the secretary of the bureau nearest the location of the failure (and this does not necessarily mean that you have to give us your claim), and you can obtain, probably, satisfactory information which will be of vast benefit to you in guiding you as to what disposition to make of it. Frequently we receive letters which ask: "What is the use of my sending you a claim simply to pay you ten per cent. to collect what I would obtain in the usual dividend?" Unfortunately the position the majority of us have taken is that it is useless to send a good dollar after a bad one. Therefore, we are like the preacher, we are thankful to get our hat back. But if you will co-operate and under one expense and under one head, put your claim in the hands of a competent man, and send him to the place where the party resides, you can invariably obtain better results. I will not explain the full workings of our bureau, but it has been a success as to the number of claims which we have had to handle. Unfortunately we have not had a sufficient number to make our Bureau self-sustaining. If you wish to have them self-sustaining; if you wish to have a chain of bureaus established throughout the country, one co-operating with the other, you will have to come to their aid. Now as to calling it to the attention of the individual representing the Credit Department, you say that you have your Monthly BULLETIN. That is good, if you read it, but how many of you here read the Monthly BULLETIN? (Cries of, "everybody," "all of us.") That is true, possibly, of those who said "everybody," but you do not all say it. Now, my experience is that they don't. They look through it for what is entertaining in it, and read that. Don't think I am antagonistic to the BULLETIN. It is a good thing, and we all ought to read it. But it does not bring before the individual or the credit man, who controls the claim, the operations of the bureaus. How can we reach him direct? It is by giving the name of the individual head of the Credit Department who represents your firm to the Secretary of the National Association. Let him have the name in the office when printing the resolution which my amendment suggests; let a copy of this resolution go direct to them; let a list of the bureaus established go direct to them; let a list of the managers of these bureaus go direct to them; and request of them before they place their claims in the hands of attorneys to communicate with the bureau—.

President Fessenden—The gentleman's time has expired.

W. L. Moore—I do not care for any more time.

R. Ruthenburg, of Louisville—I beg to offer a suggestion. I merely want to suggest a minor change in the resolution wherein it requests correspondence with the *nearest* adjustment bureau. I wish to correct

that, so that it shall be the adjustment bureau in charge of the district in which the particular failure occurs.

President Fessenden—Mr. Moore, will you accept that suggestion?

W. L. Moore—Unfortunately I didn't hear it, Mr. Chairman.

R. Ruthenburg—You, in your resolution proposed correspondence with the nearest Bureau. That, in many cases, taking the nearest geographically, will involve a Bureau which has not jurisdiction in the matter. For instance, take my own vicinity—Louisville on the Ohio River, with Indiana across the river. The nearest Adjustment Bureau might be in Louisville, but the entire State of Indiana being within one judicial district of the United States, would include any cases which might arise on the Indiana side of the river.

W. L. Moore—I see the drift of the suggestion, and accept the amendment.

Vote taken on the resolution and the same was declared adopted.

President Fessenden—The Secretary will read the next resolution.

Resolution read by Secretary Meek, as follows:

Resolved, That in conformity with the recommendation made by our President in his annual address, Article X of the Constitution be amended so as to provide for the appointment of a Standing Committee of five to be known as the Adjustment Bureau Committee.

W. P. Peter, of Dallas—I move the adoption of the resolution.

Motion seconded.

President Fessenden—All those in favor of the adoption of the resolution signify it by saying aye; opposed, no. The resolution is adopted.

Kenneth Taylor, of Cleveland—I have a resolution from the Cleveland Association. If it is in order, I request that it be read.

Resolution read by Secretary Meek, as follows:

Resolved, That the Monthly BULLETIN shall, in the future, contain the names and addresses of the secretaries and other officers in charge of the various Adjustment Bureaus, and of the bureaus for the exchange of credit information, operated by affiliated branches of the National Association of Credit Men.

Mr. Taylor, of Cleveland—I simply offer the resolution because it is a very important thing that the addresses of the secretaries and other officers of Adjustment Bureaus as well as other Bureaus which may be in the future established should be in the hands of every one. I think the BULLETIN is the proper place in which to publish them, the same as the names of the presidents and secretaries of the local associations have been published.

Resolution seconded by D. S. Ludlum, of Philadelphia.

Vote taken, and the resolution was unanimously adopted.

A. H. Kaiser, of New Orleans—I would like to introduce the following resolution, Mr. President and gentlemen of the Convention.

Resolved, That it is the sense of this Convention that greater diligence be used by the commercial agencies in obtaining information with respect to speculation on margins.

Howard Marshall, of New York—Under the rules this resolution would be referred to the Committee on Resolutions. It is a most important resolution. There is no matter which comes before a credit man upon which he should have more reliable information than on this subject of speculation. It is a well-known fact that there are a great many failures which are the result of speculation. I move that the rules be suspended, and that we proceed to an immediate consideration of this resolution.

Motion seconded.

President Fessenden—Are there any more resolutions to be offered by the Committee on Adjustment Bureaus. If not, we will take up this resolution. Is there any objection to the unanimous consent of the Convention being given to the taking up of the resolution offered by Mr. Kaiser, of New Orleans? The resolution of Mr. Kaiser is before you.

A. H. Kaiser—Having introduced the resolution, I desire to say a few words. I brought the subject up this morning for the following reason: There is evidently a report current that the question of speculation does not altogether interfere with the possibility of results towards the betterment of credits, but that is a mistake. This resolution has been again proposed by me, and I thank the gentleman from New York for requesting a suspension of the rules for the purpose of taking up the matter, and giving me an opportunity to present more strongly my reasons for desiring that the mercantile agencies lay more stress on its importance. The Southern merchants know as a matter of fact that there is more speculation on margins against the interests of the creditor in that section than possibly in any other part of the country. I know from my personal experience—I don't want to say how many years, I am too young—as a matter of fact that every merchant in the South, in the sections bordering on the Mississippi River, and in Alabama, Georgia, Texas and Arkansas, if they know that the preceding year brought to them one hundred and fifty bales of cotton, will sell two hundred the following year, against the possibility of such a crop. I also know as a matter of fact that in two-thirds of the country along the Illinois Central Railroad from New Orleans to Hot Springs, and along other roads running out of New Orleans, representatives of the New Orleans bucket shops operate for the purpose of speculating against the interest of the common creditor, and if we are not better posted on the workings of these merchants there will be ultimate damage, for the reason that whenever they lose money they know just where to regain it. They simply say: "Gentlemen, we can't pay you." They will offer us a twelve or six months' note, to carry them to the following season, and if they don't regain their losses they either go into the bankrupt court, or ask for a further extension, and ultimately we lose; and for these reasons I trust that we will have no opposition from the agencies to giving such information relative to the men who speculate as we have heretofore received along other lines. (Applause.)

Hugo Kanzler, of New York—If Mr. Kaiser will permit, I desire to offer an amendment to the language. It is too indefinite. He says, "on margin." It may be a sale on margin, or otherwise; some of the gentlemen do not speculate on margin, but they put up the money.

A. H. Kaiser—I am willing to accept any amendment that will further the interests of the gentleman mentioned.

W. P. Peter, of Dallas—This is a very important amendment, and a resolution that should be passed unanimously. In offering this resolution I know that Mr. Kaiser does not wish to cast any disparagement upon the party who does legitimate trading. I know that in our section of the country we don't, but we wish to reach and correct the evil prevalent all over the South, among many of our retail merchants. Your money is invested there; your interests are there the same as ours. There is hardly a failure in which some one of you is not represented, and many of these failures are directly traceable to speculating in cotton and other markets in that section of the country, and I trust that you will give this resolution your hearty support. (Applause.)

President Fessenden—The amendment was accepted.
Calls for question.

President Fessenden—All those in favor of the resolution signify it by saying aye; opposed, no. The resolution is carried.

J. H. Kentnor, of St. Louis—Before we adjourn I want to say just one word. Yesterday we had the pleasure of listening to a paper by Mr. L. D. Vogel, of St. Louis. After our return from our excursion I received a wire advising me of the vote on the bond issue. This vote was on a proposition to spend twelve millions of dollars, and the proposition is carried, and the Credit Men of this Convention will possibly have an opportunity to participate in the credit of some of the contractors who will receive twelve million of dollars from the city of St. Louis (Applause.)

Hugo Kanzler, of New York—If I understand correctly, the next business will be the nomination of President and Vice-President.

President Fessenden—No, sir; the next business is the report of the Committee on Fire Insurance.

Hugo Kanzler—I believe that some of the delegations which met this morning have not quite concluded their arguments as to the election of officers, and have not agreed upon any candidate. I move you, therefore, that we take one hour's recess.

President Fessenden—Just a few announcements by the Secretary.

Secretary Meek—The secretaries of the local associations will meet in the dining-room at the close of this session where tables will be reserved for them. Secretaries who will attend please arise so that it may be known how many to provide for. After dinner the secretaries will adjourn to meet in one of the parlors on the second floor. This invitation is extended by Secretary Taylor, of Cleveland. I have been asked by David S. Ludlum to announce that a meeting of secretaries and managers of adjustment bureaus, and others who are interested in that subject, for the purpose of exchanging views, will be held immediately after the conclusion of our business session. An invitation was issued by Mr. Ludlum some weeks ago to the different associations to select a member of their delegation to attend this meeting. A number of names have come to the Secretary and Mr. Ludlum wishes the gentlemen interested to attend the meeting.

Secretary Meek then read the names of the Chairmen of the State Delegations as follows:

CHAIRMEN OF STATE DELEGATIONS.

Alabama—H. M. Beck.	Minnesota—E. A. Young.
Arkansas—C. W. Linthicum.	Missouri—J. H. Kentnor.
California—Willis Booth.	Nebraska—M. Weil.
Colorado—Karl K. Mayer.	New Jersey—F. P. Crane.
Connecticut—W. W. Lester.	New York—Daniel B. Murphy.
Florida—R. V. Covington.	North Carolina—G. G. Scott.
Georgia—R. H. White.	Ohio—F. E. Huggins.
Illinois—F. H. McAdow.	Oregon—Geo. M. Healy.
Indiana—F. J. Bartel.	Pennsylvania—J. A. McKee.
Iowa—E. B. Pieckenbrock.	Rhode Island—Howard Slade.
Kansas—O. P. Taylor.	Tennessee—J. A. Ely.
Kentucky—J. H. Scales.	Texas—W. P. Peter.
Louisiana—A. H. Kaiser.	Virginia—Geo. L. Pender.
Maryland—A. L. Rosenaur.	Washington—L. W. Worthing.
Massachusetts—Geo. H. Graves.	West Virginia—P. H. Koblegard.
Michigan—L. J. Stevenson.	Wisconsin—Oscar Loeffler.

President Fessenden—All those in favor of taking a recess until two o'clock signify it by saying aye. It is so ordered.

THIRD DAY—FRIDAY.

Afternoon Session.

FRIDAY, June 15th, 1906.

Convention called to order at 2 p. m. by President Fessenden.

President Fessenden—The first business before the Convention is to hear the report of the Special Committee on Fire Insurance. Mr. James L. McWhorter, of Nashville, Tennessee, Chairman, will read the report.

Report read by Mr. McWhorter as follows:

Report of the Special Committee on Fire Insurance.

To the Officers and Members of the National Association of Credit Men:

GENTLEMEN:—Your Committee on Fire Insurance is pleased to report that during the year a marked increase of interest in this subject, on the part of the members has been manifested.

We have noted, with satisfaction, that many of the local associations have frequently used the subject as a theme for discussion, and that a large number of special and carefully prepared papers have been read at their meetings. This has served to stimulate interest in this very important matter and much good has been accomplished thereby.

Through the medium of the Bulletin, and other printed matter, large publicity has been given to the various phases of the subject of fire insurance. It was sought to acquaint the membership with data and information that would be helpful and assist them in intelligently placing their risks to their best advantage and interest, to the end that full protection might be afforded them at the minimum cost.

Three very important considerations should engage the attention of the buyer of fire insurance when he enters the market to secure protection against loss, namely: 1. The reliability of the company; 2. The premium rate; 3. The specific wording of the policy.

Your Committee is of the opinion that gross carelessness is too often exercised in not properly scrutinizing the stability and responsibility of the company seeking and accepting risks. The subject is very fully covered in a circular issued by one of the large insurance companies, and which has been approved by the Insurance Department of every State and Territory. We believe it of sufficient merit and interest to quote at length.

"The ease with which the public can be cheated into buying fire insurance which is absolutely worthless has resulted in nearly every State and Territory enacting laws regulating the organization and conduct of fire insurance companies, and forbidding any company from doing business until it has filed a statement, under oath, showing its financial condition to be in accordance with the State requirements. Every State maintains an official who is charged with the duty of keeping the fire insurance companies under supervision. If required a company must permit the employees of the State to examine its securities, records, etc., for the purpose of verifying the statements it has filed. Upon compliance with the laws of a State and the payment of certain fees, taxes, etc., a company is entitled to do business in that State. Permission to do business in a State entitles a company to appoint agents throughout the State, and thus bring itself into direct touch with property owners. In dealing only with a company which has been authorized by your State authorities to do business, you not only avoid the danger of serious loss, but you secure many very important and valuable advantages."

We quote further from the circular referred to, as follows:

"You secure a reliable company, as the company, before appointing agents and doing business, must have at least the amount which the experts of your State have fixed as the minimum funds with which a fire insurance company can safely do business.

"You can be sure that the affairs of the company you are insured in are being annually supervised by a competent authority, as every year the company must file a statement, under oath, showing its financial condition and the results of the year's business.

"You are sure of immediate protection when you need insurance or find it necessary to change existing insurance in any way. Only an authorized company can have agents in the State with authority instantly to bind the company or to approve at once of a removal, assignment, or other change in policies already issued.

"In event of a loss you receive prompt attention and can replace your home or resume business, as the case may be, with the least possible delay. A large company must, to conduct its business properly, maintain a permanent force of adjusters located through the different States. This assures immediate attention to claims, whereas a smaller company relies upon one man to cover several States, and if an unauthorized company it will hire an adjuster where it can and you are powerless to hasten its action as your Insurance Department has no control over the company; in some States any adjuster entering the State to settle a loss for an unauthorized company would actually be subject to arrest.

"If you are insuring property held by you as Trustee, Guardian, Executor, etc., you are required by law to exercise due diligence in the care of the interests intrusted to you. The State maintains a Department for the supervision of insurance companies and has, thereby, provided means whereby anyone can readily determine whether a company possesses a safe amount of assets. It is a serious question therefore, whether you would not be personally responsible if you insure in an unauthorized company and find yourself unable to collect a loss or are required to spend an unusual amount in enforcing payment.

"In event of dispute you are able to bring suit in your local or State Court, which you cannot do if the company has no authorized State representative. If you are insured in an unauthorized company you will have to hunt up the office of the company in another State, engage lawyers there, and then bring suit in a distant court and be subjected to expense of transportation of witnesses, or, worse still, be unable to induce your witnesses to leave their business to attend such court."

Having satisfied yourself of the absolute reliability of the company or companies soliciting your business, the next important item to be considered is the premium rate. Insurance rates are based on class of building, class of property, class of locality, class of protection and class of surroundings, known as exposures. [At this point Mr. McWhorter interrupted his reading of the report and said: "You will notice, gentlemen, that no charge is made by insurance companies for what is termed the 'moral hazard.' They admit that that element does not enter into it, and hence make no charge based upon the 'moral hazard.'"] Each class of contents of buildings has its own rate, based on its sensitiveness to damage by heat, smoke, water, or removal, making the loss total or partial. Insurance is a tax on property and all good citizens should be interested in reducing the fire loss by advocating and adopting good chimneys, good building laws, proper restraint in the use and storage of inflammable or explosive substances, and such other measures as will reduce the fire waste.

Rates are determined and fixed at all times commensurate with the hazard. Manifestly, therefore, the lowest rate available is not that offered by weak and irresponsible companies in competition with standard companies, for cheap insurance is always expensive in the end, but a rate determined by classification and compliance with requirements. Rates would be reduced if the public would assist the companies in their endeavor to improve the condition of risks. Much persuasion is sometimes necessary to induce simple correction of faults.

In the discussion of the third proposition it may be said, and truthfully, that a fire insurance policy is a one-sided contract. It is made so from the fact that the conditions it specifies are prepared and prescribed by one of the contracting parties, and accepted by the other subject to such conditions. The Courts, in the interpretation of this contract have uniformly held that in case of ambiguity or reasonable doubt, it would be construed most favorably to the assured, on the presumption that the insurance company, having framed the contract, had used the language best adapted to express its meaning.

"And as to what is known as the written portion of the policy, or the slip attached or the description of the property insured," says A. W. Thornton, an authority on insurance matters, "the same position has been taken by the courts, when the agents writing the policies have framed the forms. It is fair to presume, however, that should a property owner draw up his own form or have it prepared by his own broker or agent, and instruct the agent of the insurance company to write a policy in accordance therewith, the courts would construe the written portion most strictly against the insured in case of ambiguity or uncertainty."

The necessity for uniformity in the language of fire insurance policies early became apparent, and, after several ineffectual attempts to standardize the same, the Legislature of New York passed a statute in 1887 prescribing the form of policy to be used in that State. This form is now in common use in practically all the States which have not prescribed their own standard form.

This Association has many members extending credit to their customers who recognize that insurance is absolutely essential to a sound commercial standing and they welcome and encourage any provision that has a tendency to keep property well covered by insurance.

One of the conditions most frequently used in an insurance contract is that known under the name of "Co-Insurance Clause," "Reduced Rate Clause," and "Eighty Per Cent. Clause." The surprising ignorance manifested by many of those who purchase insurance, as to the application of this clause when a loss is to be adjusted is sufficient, we think, to justify a brief explanation of the same.

The form most commonly used is the eighty per cent. Reduced Rate clause, one form of which reads as follows:

"In consideration of the reduced rate at which this policy is written, it is expressly stipulated and made a condition of this contract that this company shall be liable for no greater portion of any loss than the amount hereby insured bears to eighty per cent. of the actual cash value of the property described herein at the time when such loss shall happen, nor for more than the proportion which this policy bears to the total contributing insurance thereon."

That portion of the clause reading: "This company shall be liable for no greater portion of any loss than the amount hereby insured bears to eighty per cent. of the actual cash value," is the one most frequently erroneously construed.

A very clear and concise statement explanatory of this clause is given by an authority on the subject, as follows:

"The facts are, that when an insurance policy bears the co-insurance clause, in case of a total loss, or a loss of eighty per cent. or more of the total value of the stock, the insurance companies must and do agree to pay the full amount of the policies (unless the merchant should be over-insured), no matter whether he be covered for one hundred per cent., eighty per cent., fifty per cent. or twenty-five per cent., it makes no difference. In other words whenever it amounts to as much as eighty per cent. the co-insurance clause does not apply at all. But for a loss under eighty per cent. of the total value of stock they will only be liable for an amount in proportion as the amount of his entire insurance bears to eighty per cent. of the total value of stock."

[Mr. McWhorter, interrupting his reading of the report: "In this connection we should have reported a reference to what is known as the three-quarter value clause, in order that by comparing the two you might better understand this one. The eighty per cent. co-insurance clause is designed to make the insured carry a larger percentage of insurance on what are termed good rates, while the three-quarter value clause is designed to make the insured carry a smaller amount of insurance on what is termed a bad risk. Hence in actual practice the eighty per cent. insurance clause is applied where the risk is under fire protection, while the three-quarter value clause is applied where there is no fire protection and the companies desire the assured to carry at least one quarter of the risk himself."]

In view of the widespread misunderstanding on this subject, and to the end that our members might have the same fully and clearly explained to them your committee has caused to be printed and distributed during the year many thousand copies of an analysis of the Co-insurance Clause. This has had the effect not only of informing our members on the subject, but has at the same time been instrumental in awakening renewed interest in the subject of fire insurance in general.

Since the Association began, several years ago, the agitation of the subject of fire insurance considerable advancement has been made, and the matter has reached such magnitude and become of so much importance as to attract the attention of specialists, with the results that at the present time there are a number of reputable concerns located in various cities which have for their object the inspection of insurance policies. For a comparatively small consideration they will tell you what you want and ought to know about your insurance; whether you are properly covered or not; whether or not the company is responsible; whether or not you have as favorable a contract as other companies issue. They will advise you on the points and conditions under which your policy operates. They will show you whether you are getting as low a rate as possible on your particular class of risk, and in many other ways prove the value of their service.

Your committee is advised by a large number of our members that they have found these concerns of great practical value and help. We regard them as worthy the support of the public and recommend that their plans and methods be investigated with a view to securing their services, especially when it is remembered that it is authoritatively stated that at the present time there are about one hundred and fifty wild cat institutions, calling themselves insurance companies, operating in this country and offering to sell policies all over the country which are absolutely worthless.

The National Association of Credit Men some years ago undertook

to emphasize the importance of retail merchants carrying adequate insurance; and, while the visible effects of these efforts may be somewhat disappointing, there is no doubt whatever that the indirect advantages have more than justified the time and labor bestowed on this question. The matter has been frequently mentioned in the *BULLETIN*, and has been kept so constantly before our membership, in one form or another, that it naturally comes up for consideration whenever the credit man and the customer enter upon a discussion of the latter's affairs. Furthermore, there are now so many active fire insurance agents in the field, that very few retail merchants who can obtain insurance are without it. Then, too, the great conflagrations, which have so disastrously swept over a number of American cities within the past few years, have all tended to bring this subject strongly to the retailer's attention. Taking all these influences, therefore, into account, it is believed that nearly all concerns in which a fire would entail loss upon creditors, and against whom there is not some serious objection, either as to the moral or the physical hazard, are protected to a greater or less extent by fire insurance. But, notwithstanding the present favorable conditions, members are urged to continue the work of education among their customers, and lose no opportunity to press the importance of this subject.

Your committee herewith and again renews its request to the Mercantile Agencies that they give the subject of fire insurance more attention, particularly in their "traveler" reports, and we urge our members to instruct their traveling men to reinforce their efforts to persuade every customer who can obtain it, to carry an adequate amount of insurance.

At the last meeting of the Los Angeles Credit Men's Association important resolutions were adopted in relation to the San Francisco disaster, which present many problems in insurance matters that have never been dealt with. It is reported that the ablest insurance adjusters in the United States have been sent to that city. Recognizing the importance of being kept informed of the proceedings taken by these adjusters the Association appointed a Committee of five of its members, to be known as the Insurance Committee, whose duty it shall be to inform themselves of the adjustments made by the various insurance companies carrying policies in San Francisco, to the end that the Association may be fully informed as to the companies which deal justly and liberally with the losers in that city. It is further required by the Committee that they make a report of their findings to the local association, and that a copy of said report be then furnished to every member of the National Association of Credit Men.

[Mr. McWhorter, interrupting his reading: "In this connection permit me to say that in our own State of Tennessee we recently organized what is known as the 'Business Men's Insurance League of Tennessee,' composed of about 250 prominent business men in that State, whose object is to better the physical conditions, lessen the possibilities of fires, and consequently lower the premium rate in our State, and particularly to make conditions so favorable that other companies will come in."]

In conclusion your committee begs leave to offer the following resolutions:

Resolved, That the National Association of Credit Men, in Convention assembled, emphasizes the importance of continued interest on the part of its members in the subject of fire insurance and urges them to impress upon their customers the necessity of carrying substantial and adequate protection against loss by fire.

Resolved, That we favor the liberal distribution, by the Association, of literature bearing on fire insurance.

Resolved, That in conformity with the recommendation made by our President in his annual address, Article X of the Constitution be amended so as to provide for a Standing Committee of five members to be known as the Committee on Fire Insurance.

Respectfully submitted,

W. ALFRED WILSON,
D. E. JONES,
LEE HAYES,
T. P. HOLLAND,
JAMES L. MCWHORTER, *Chairman*.

President Fessenden—The Secretary will read the first resolution.

Resolution read by Secretary Meek, as follows:

Resolved, That the National Association of Credit Men, in convention assembled, emphasizes the importance of continued interest on the part of its members in the subject of Fire Insurance and urges them to impress upon their customers the necessity of carrying substantial and adequate protection against loss by fire.

Motion to adopt made and seconded.

President Fessenden—It is moved and seconded that the resolution be adopted. All those in favor of its adoption signify it by saying aye; opposed, no. The resolution is adopted.

Next resolution read by Secretary Meek, as follows:

Resolved, That we favor the liberal distribution, by the Association, of literature bearing on fire insurance.

Motion to adopt made and seconded.

President Fessenden—All those in favor of the adoption of the resolution signify it by saying aye; opposed, no.

S. G. Rosson, of Cincinnati—I would first like to ask the Secretary if the Association has any printed matter that is proper to be sent to the retailer, advising him of the advantages of carrying sufficient fire insurance?

Secretary—Yes, sir.

Mr. Rosson—Along that line I would like to state that we have some hesitancy in insisting upon our customer protecting himself with insurance. We want the business of that customer, and while we would like to have him carry insurance, there are times when it is not to our interest to say anything. We are not at all in a position to take this subject up with our customers, and if the Association has literature that could be sent to the retailer, I would suggest that an amendment be added to this resolution as follows: "And that the National Association forward to any and all retailers, upon request of any member, printed matter bearing on the necessity of their carrying insurance." I move that as an amendment.

J. L. McWhorter—The amendment is accepted. I think, however, that that was incorporated in the plan we formerly used.

Secretary Meek—Yes, sir, and that has been the practice for a long time. There is one house in the city that you come from that has continued the plan of notifying the National Office and printed matter bearing on adequate fire insurance has always been forwarded.

Jacob Gazan, of Savannah—On this question of sending literature to the retail dealer, I desire to call the attention of this body to this feature of the insurance contract, upon which I think it is very necessary to

enlighten the policy holder. The insurance companies attach to most of their policies what is known as the "Iron Safe Clause," one part of which provides that the assured shall keep a complete set of books which shall show a complete record of all business transacted, goods bought and sold for cash and credit, and all shipments made. Until very recently, when fires occurred, there was not such a rigid enforcement by the insurance companies of that provision, but latterly the insurance companies have come to require that the retail merchant shall, in order to comply with that clause, keep exact account of every item sold. He cannot now put down at the end of each day the total of his cash sales, as done in ninety per cent. of the country stores, but must keep accurate track of the stockings, needles, etc., he sells, and I know it is not done. The Supreme Court of Kansas has held that where that is not done, and the iron safe clause is there, that your policy is void, and the Supreme Court of Georgia has gone—while not quite so far, practically to that extent—and I know of two cases of loss now in the interior of Georgia where the creditors are dependent on the insurance, and both cases have gone to the Supreme Court, and have been lost, and I believe it a stroke of good policy to tell the dealers what the insurance companies and courts of last resort now require, in order that the insured shall get the protection which is paid for. (Applause.)

President Fessenden—Are you ready for the question? All those in favor of the passage of the resolution as read will signify it by saying aye; opposed, no. The resolution is adopted. The Secretary will read the next resolution.

Resolution read by Secretary Meek, as follows:

Resolved, That in conformity with the recommendation made by our President in his annual address, Article X of the Constitution be amended so as to provide for a Standing Committee of five members to be known as the Committee on Fire Insurance.

Motion made to adopt.

President Fessenden—Any remarks? All those in favor of the adoption of the resolution will signify it by saying aye; opposed, no. The resolution is carried. The Secretary will read a resolution offered by W. C. Mushet, of the Los Angeles Association.

Resolution read by Secretary Meek, as follows:

WHEREAS, The disaster that has recently occurred in San Francisco presents for the consideration of the insurance men problems which they have never had to deal with before; and

WHEREAS, It is reported that the ablest Insurance Adjusters in the United States will be called to San Francisco to adjust the insurance losses suffered by the people there; and

WHEREAS, It is for the interest of the business community of the United States that it be kept informed of the proceedings taken by the adjusters of the various companies in adjusting those losses;

Resolved, That this Association appoint a committee of five, whose duty it shall be to inform themselves of the adjustments made by the various Insurance Companies carrying policies in San Francisco to the end that this Association may be fully informed as to the Insurance Companies which deal justly and liberally with the people of San Francisco in the adjustment of their losses.

Resolved, That said Committee, after such adjustments have been made, report its findings to this Association and that a copy of such findings be sent to every Association of Credit Men in the United States, that due credit may be given to those companies to which credit is due for just and prompt adjustments.

W. C. Mushet, of Los Angeles—I would like to ask for a suspension of rules in order that this resolution may not be referred to the Committee on Resolutions, but may be immediately acted upon, because in a year from now the practical use of the resolution would be at an end.

President Fessenden—It is properly before the house in connection with this report of the Committee on Insurance.

Mr. Mushet—As the resolution is properly before you, I should like to make an argument to induce you to adopt it. Los Angeles from time to time has come before this Convention, and Los Angeles hasn't always got what she asked for. On this matter, however, she comes in a different way; she comes asking for something for a sister city that needs your assistance. Within four hours of the disaster which overtook San Francisco the Los Angeles Credit Men's Association held a meeting, and arrangements were made that assistance be immediately sent to San Francisco. Before the day was out there were three carloads of provisions on the way there—(applause)—and a great amount of money was immediately raised and telegraphed and help was had in other directions. I think, however, that this Association and the Local Associations of Credit Men can do more to help San Francisco with regard to the adjustment of insurance than in any other possible way, because we find that insurance companies—to their shame be it said—some of them are taking advantage of every possible technicality in the insurance policies. For instance, there is a clause in the insurance policy which requires that notice within a certain time should be served upon the company of the loss. In many cases it has been impossible to give that notice, and so some companies are saying, "You have waived your rights. You didn't serve the notice in due time." And again, there is a clause in the policies which says that if any part of the building, for instance the chimney, shall fall, that immediately that policy becomes null and void; therefore, if a fire followed the falling of the chimney, some two or three days afterwards, that there was no insurance on that building. There are many companies taking advantage of every possible technicality, and, on the other hand, there are many companies adjusting in a most liberal manner. What the Los Angeles Credit Men's Association asks for San Francisco, is that the National Association appoint a committee, to work, if you like, in connection with the committee appointed in Los Angeles, so that there may be placed before the insuring public of America a list of those companies which do the fair and square thing, and when you have that list you may know that you are insured in a company which will deal honestly and fairly by you. Now, we are not asking you to put the companies that do not live up to a fair standard on the blacklist; but we are putting on the roll of honor those companies which do the fair thing, and we would ask, gentlemen, that you pass this resolution. I believe that if you do pass it, and all the associations of the United States will take similar notice, it will mean a saving of not less than ten million dollars in insurance to the San Francisco people.

J. A. McKee, of Philadelphia—I move the adoption of the resolution as read.

Motion seconded.

Calls for the question.

President Fessenden—All those in favor of the adoption of the resolution will signify it by saying aye; opposed, no.

Resolution declared unanimously adopted.

President Fessenden—We will proceed with the next order of business. I will ask ex-President Tregoe to take the Chair.

J. Harry Tregoe, of Baltimore, takes the Chair.

Secretary Meek—Mr. Chairman, the report of the Committee on Credentials is ready. It will probably take me an hour and a half to read it.

Chairman Tregoe—What is your pleasure, gentlemen?

Motion made to dispense with the reading.

Motion seconded.

Chairman Tregoe—It has been moved and seconded that the reading of the report of the Committee on Credentials be dispensed with. Are you ready for the question?

Motion put and declared unanimously carried.

Secretary Meek—There is one portion of the report which it will be necessary to read, and that is the individual members of the National Association who have registered. It will take but a short time to read it.

(The report of the Committee on Credentials is printed at the close of the Convention proceedings.)

Delegate—The name of Mr. F. J. Bartel, from Indiana, who holds an individual membership, was not read.

Secretary Meek—If there are any gentlemen in the Convention whose names have been omitted, they will please write the name on a slip and hand it to me. There is a possibility of the registration cards having been misplaced, as we were obliged to extend the courtesies of our registering facilities to the Baltimore Association for the purpose of preparing banquet tickets.

Chairman Tregoe—Let the Chairman say that if there are any members whose names have been omitted, write them on a slip of paper, as the Secretary suggests, and in a little while our messenger boy can pass through and collect them. They will be added to the list by the Secretary.

A. H. Foote, of St. Louis—Does this list represent any not present, or only those who are present?

Secretary Meek—The list I have read represents those who have registered.

Chairman Tregoe—Now, gentlemen, in proceeding to our next order of business, which is the election of President and Vice-President, it will be necessary that we move in a perfectly proper manner, and as you rise to your feet please announce distinctly and clearly your name and the Association you represent, or the city. Let us do that so our stenographer may have his records clear. Our first order of business is the election of President. What is your pleasure?

The Chair recognized Charles Biggs, of New York, and requested him to take the platform. (Applause.)

Charles Biggs, of New York—Mr. President and Gentlemen: A year has elapsed since in Convention assembled at Memphis the National Association elected unanimously to the office of President O. G. Fessenden. During the intervening term, he has worthily filled the office, and maintained the standard of efficiency established by his predecessors in that high place. (Applause.) I think it is unnecessary for me to say more. The reports that have been submitted to you show very clearly that he has had the support of the officials, and has done his duty. We must forecast the future by the past, and I therefore have the honor to present, on behalf of New York, as our nominee for the presidency for the ensuing year, the name of O. G. Fessenden. (Great applause.)

J. A. McKee, of Philadelphia—In behalf of the Philadelphia Asso-

ciation, it affords me great pleasure to second the nomination made by New York of O. G. Fessenden for President of this Association. (Applause.)

Harry New, of Cleveland—On behalf of Cleveland I take pleasure in seconding the nomination of Mr. Fessenden. We recognize his work and the impartial manner in which he has filled the office. (Applause.)

R. McF. Smith, of Cincinnati—It has been my pleasure for the past year to serve on the Board of Directors with Mr. Fessenden, and I take great pleasure in voicing the sentiment of the Cincinnati Association and in seconding his nomination.

H. M. Battin, of Milwaukee—Mr. President, a year ago at Memphis the Association made no mistake. It will make no mistake now, and on behalf of the city of Milwaukee and State of Wisconsin I take pleasure in seconding the nomination of Mr. Fessenden for President for the ensuing year.

A. H. Foote, of St. Louis—We desire to second the nomination of Mr. Fessenden.

George H. Graves, of Boston—On behalf of Boston I take great pleasure in seconding the nomination of Mr. Fessenden.

F. H. McAdow, of Chicago—On behalf of the city of Chicago and State of Illinois, we have the privilege of seconding the nomination, and are ready to help make it unanimous.

W. P. Peter, of Dallas—On behalf of the Dallas Association and the representatives of Texas, I take pleasure in seconding the nomination of O. G. Fessenden, and ask that it be made unanimous.

C. W. Linthicum, of Baltimore—On behalf of Baltimore's delegation I take great pleasure in seconding the nomination of Mr. Fessenden.

R. Ruthenburg, of Louisville—In behalf of Louisville I take great pleasure in seconding the nomination of Mr. Fessenden, than whom no worthier officer could be chosen.

D. B. Murphy, of Rochester—If it will be in order, I move you, sir, that the Secretary be authorized to cast one ballot in favor of the election of O. G. Fessenden as President for the ensuing year.

A. H. Kaiser, of New Orleans—It affords us a great deal of pleasure to second the nomination of Mr. Fessenden for President. We appreciate fully the services he has rendered the Association during the past year, and in seconding his nomination I move that in recognition of the services rendered during the past year he be elected unanimously by a rising vote.

Chairman Tregoe—We have a resolution offered by Mr. Murphy that has not been seconded.

J. L. McWhorter, of Nashville—I take this opportunity to second Mr. Murphy's motion to make it unanimous and that one ballot be cast, but before doing that I am instructed by the Nashville delegation to second the nomination of Mr. Fessenden. We appreciate his services and think he has been fair and impartial, and would like to see him elected for another term.

Chairman Tregoe—It has been moved and seconded that the nominations be closed and that the Secretary be instructed to cast the ballot of the Association for O. G. Fessenden. Are you ready for the question?

Calls for question.

Chairman Tregoe—All who favor this will rise. It is unanimously carried. (Great applause.) Mr. Secretary, have you cast the ballot?

Secretary Meek—I have.

Chairman Tregoe—For whom?

Secretary Meek—O. G. Fessenden.

Chairman Tregoe—The Chair declares Mr. O. G. Fessenden elected

as President of this Association for the ensuing year. (Great applause, with delegates standing.)

Chairman Tregoe—We are now ready to proceed to the election of a Vice-President. (Applause.)

F. H. McAdow, of Chicago—On behalf of the Chicago delegation I wish to place in nomination a gentleman who is known to most of us, I think. He is one of the war horses in our past history, a man who has been honored by his own Association at home, a man who is a pioneer in the work of the National Association, a man of conservative judgment, and yet of pleasing personality; a gentleman whom we all like to meet, who stands well in the business community in his home city, and that gentleman is Mr. Thomas P. Robbins, of the Cleveland Association. (Applause.) It seems to me that no other word is needed; that it is only necessary to name him; that his name appeals to this Association. We hope he may have your unanimous support in the election to this office.

F. M. Gettys, of Louisville—Everybody who knows anything about the way this Association is run, knows that the Vice-President has to do all the real work! (Applause and laughter.) We need a good healthy President and Secretary; there are lots of banquets to be attended and lots of good dinners all through the year, and the obesity and—I almost said grossness—of our Secretary and re-elected President—(laughter)—will bear me out in that, but for the real work of the Association we need a good, strong, solid man, and I think that Mr. T. P. Robbins is the man. I take great pleasure in seconding his nomination. (Applause.)

E. A. Young, of St. Paul—On behalf of St. Paul and Minneapolis I desire to second the nomination of Mr. Robbins.

Malcolm Graham, Jr., of New York—On behalf of the New York delegation I second most heartily the nomination of Mr. Robbins.

J. A. McKee, of Philadelphia—On behalf of the Philadelphia Association I am gratified to congratulate Cleveland upon the nomination of Mr. Robbins as Vice-President of this Association, and Philadelphia seconds the nomination.

J. H. Lempert, of Rochester—Rochester takes great pleasure in seconding the nomination for Vice-President of Mr. Robbins, of Cleveland.

H. M. Powell, of Columbus—Columbus takes great pride in seconding the nomination of our neighbor, Mr. Robbins, of Cleveland.

A. L. Rosenaur, of Baltimore—Baltimore is most happy in seconding the nomination of Mr. Robbins. (Applause.)

F. M. Freese, of Pittsburgh—On behalf of the Pittsburgh delegation, I heartily second the nomination of Mr. Robbins to the Vice-Presidency, and I would move that the nominations close, and that we go into an election by a rising vote.

J. W. Spangler, of Seattle—I desire to second the nomination of Mr. Robbins, and explain to the Association how glad I am to have an opportunity to do so, even though he is far removed from Seattle.

Max Silberberg, of Cincinnati—After the speech made by Mr. McAdow nominating Mr. Robbins, it was stated that it would require a healthy person to be Vice-President of this Association. Quite naturally the health of Mr. Robbins was judged by his physical appearance. I am acquainted with Mr. Robbins, and I say to you, Mr. President and gentlemen, that I know whereof I speak when I say that he is equally well qualified mentally, and Cincinnati seconds the nomination of Mr. Robbins for Vice-President of this Association.

A. H. Burt, of Buffalo—Some two or three months ago one of the Cleveland members called on me, paying me a friendly visit. We were

talking over membership matters and I congratulated him on the handsome increase in their membership, and in a joking way—I didn't think he would take it seriously, but he seemed to—I told him that although we had a healthy growth in Buffalo, we hadn't yet started taking in barbers! He insisted that they had taken in no barbers in their membership, and in turn said: "Well, anyhow, we will know how to support our candidate when it comes to the election." "Well," I said, "my friend, there is nothing too good for Cleveland; what are you out for?" He said, "We are out for one of the Directors." I said, "Buffalo will be pleased to support any man you may name, because we think a great deal of Cleveland." With that in mind, I came here expecting to support a candidate from Cleveland for member of the Board of Directors, and, as W. A. Given is a very good friend of mine, I had expected to support him as a candidate for Vice-President. I have within the last few minutes had a nice little visit with both Mr. Given and Mr. Robbins, and I believe that in his heart Mr. Given supports Mr. Robbins, as honestly, as loyally, and as conscientiously as I do at the present time. I said to him: "I am for Cleveland if you are out of the race." I am for Cleveland first, last, and all the time, for anything that they want, and if Mr. Robbins is the candidate of Cleveland for Vice-President, Buffalo is for Mr. Robbins. (Applause.)

F. E. Freese, of Pittsburgh—I move that the nominations close.

W. P. Peter, of Dallas—I second the motion that the nominations be closed.

Chairman Tregoe—All those in favor of the motion that the nominations be closed, and that Mr. Robbins be elected by a rising vote, say aye.

Motion carried.

Chairman Tregoe—All those who favor the election of Mr. Robbins as our Vice-President will please rise. (Vote taken and everyone arose to their feet amid great applause.)

Chairman Tregoe—The Chair declares Mr. Thos. P. Robbins, of Cleveland, our Vice-President for the ensuing year. (Great applause.)

Chairman Tregoe—I am requested by the Secretary to ask that the delegations who have not yet announced their State Vice-Presidents to please do so by sending the names to the desk. Gentlemen, our next order of business is the election of Directors. The terms of the following four gentlemen who have served three years on the Board of Directors expire: A. H. Foote, of St. Louis; C. D. Griffith, of Denver; C. N. Robinson, of Omaha; R. McFarland Smith, of Cincinnati. We will proceed to the election of four Directors to serve for three years. Ballots will be distributed containing the names of those proposed for these four offices by the Nominating Committee. Each delegate who is entitled to vote will indicate on his ballot his preference. Write on each ballot, if you are only entitled to one vote, one; if you represent proxies, the number of proxies you represent in addition to the one. I will announce the tellers, so that these gentlemen may come forward and distribute the ballots. They are Howard Marshall, of New York; F. E. Huggins, of Columbus, and H. M. Battin, of Milwaukee.

H. M. Battin—I have an appointment which will make it impossible for me to serve.

Chairman Tregoe—If it is impossible for Mr. Battin to act, I will ask W. H. Cochrane, of Pittsburgh, to take his place. I think there ought to be four, and I will ask E. F. Sheffey, of Lynchburg, to act. The

ballots will now be distributed. Mark them as quickly as possible. I will declare a recess for five minutes.

Hugo Kanzler, of New York—I would like to ask if it is proper to have nominations made on the floor?

Chairman Tregoe—I want to say, gentlemen, that Mr. Kanzler is correct. As I understand it, you can also make nominations for the Board if you want to. Before we proceed, gentlemen, do you wish to make any nominations for the Board in addition to those names suggested by the Nominating Committee?

J. H. Kentnor, of St. Louis—As Mr. Robbins has been elected Vice-President, there will be a vacancy to fill, and other names to consider.

Chairman Tregoe—There are other names suggested by the Nominating Committee. You have them. Do you wish to make additional nominations? The Chair hears none, so the nominations of the Committee will stand as they are.

Delegate—It will not be necessary, I suppose, for more than the Chairman of the delegation to sign the ballots?

Chairman Tregoe—Each delegate signs his own name to each ballot that he casts.

Delegate—Does he lose his vote if not here?

Chairman Tregoe—Those who are not here ought to be here, don't you think so? It is understood, gentlemen, of course, that Mr. Robbins is not to be voted for, unless you want to waste that ballot. He is now Vice-President, and of course cannot fill two offices. By virtue of his office he is ex-officio a member of the Board of Directors. So you will not vote for him. W. E. Rice, of Cleveland, is substituted for Mr. Marshall, of New York, as teller. I will ask George L. Pender and Captain S. D. Buck, of Baltimore, to assist the tellers. I presume these will be sufficient. Gentlemen, our next order of business is the announcement of the nominations for State Vice-Presidents.

Secretary Meek then read the list as follows:

STATE VICE-PRESIDENTS.

Alabama—R. A. Porter, Birmingham.
Arkansas—D. E. Jones, Little Rock.
California—G. Witherspoon, Los Angeles.
Colorado—J. F. Plummer, Denver.
Connecticut—Guy P. Miller, Bridgeport.
Florida—H. E. Snow, Tampa.
Georgia—Oscar S. Kulman, Savannah.
Illinois—B. F. Harber, Bloomington.
Indiana—Frank T. Day, Indianapolis.
Iowa—L. C. Bissell, Dubuque.
Indian Territory—C. W. Turner, Muskogee.
Kansas—F. Redfield, Wichita.
Kentucky—S. A. Hilpp, Louisville.
Louisiana—A. H. Kaiser, New Orleans.
Maine—Edward W. Cox, Portland.
Maryland—M. F. Burgess, Baltimore.
Massachusetts—F. L. Howard, Boston.
Michigan—G. E. Kiefer, Detroit.
Minnesota—S. L. Sewall, Minneapolis.
Mississippi—H. M. Threefoot, Meridian.
Missouri—Geo. R. Barclay, St. Louis.
Montana—Chas. E. Virden, Butte.

Nebraska—M. Weil, Lincoln.
 New Hampshire—O. D. Knox, Manchester.
 New Jersey—C. A. McCormick, New Brunswick.
 New Mexico—C. C. Robins, Las Vegas.
 New York—A. H. Burt, Buffalo.
 North Carolina—W. G. Bradshaw, High Point.
 North Dakota—Nelson A. Burdick, Fargo.
 Ohio—Lawrence Raab, Toledo.
 Oklahoma—T. D. Turner, Oklahoma.
 Oregon—W. L. Abrams, Portland.
 Pennsylvania—T. N. Sheppard, Pittsburgh.
 Rhode Island—H. R. Slade, Providence.
 South Carolina—S. Rittenberg, Charleston.
 South Dakota—J. W. Fenn, Sioux Falls.
 Tennessee—H. L. Lipscomb, Nashville.
 Texas—A. P. Foute, Fort Worth.
 Virginia—M. E. Forbes, Richmond.
 Vermont—Geo. M. Besett, Burlington.
 Washington—F. W. Baker, Seattle.
 West Virginia—W. B. Irvine, Wheeling.
 Wisconsin—Evan H. Jones, Milwaukee.

Chairman Tregoe—We will now proceed to the next order, which is the selection of the location for the next Convention.

F. H. McAdow, of Chicago (Applause)—I am sure that this Convention does not want any oratory that will be anything like fireworks to-day. Hence we come to you with a plain business proposition, and it is my pleasure, on behalf of the Chicago Credit Men's Association, to invite the National Association of Credit Men to hold the Convention for 1907 in the city of Chicago. We have been standing in line now for some time, asking for this privilege. You will remember how at St. Louis, with our usual generosity, we came to the aid of New York and stepped aside so that she might bear away the prize, and last year at Memphis, under the silver tongued oratory and persuasive influence of Mr. Tregoe we stepped aside again, that we might be in Baltimore this year, and none of us regret it. But our time has now come. We want you to come to Chicago. We want to show you the extensive hog killing and beef slaughtering parlors—(laughter and applause)—in which we carry on our great packing industries, the source of the pure food supply of the world. (Applause.) The captains of industry who carry on these enterprises are saying to the world, "Come and let us show you, come and see for yourself," and that has been their policy from time immemorial, and I have seldom seen a man who didn't visit the stockyards when he came to Chicago. But there is another reason why I am sure you can make no mistake in coming to Chicago. It is because of our geographical location. It is the great clearing house between the east and the west; if there is an east and west they meet somewhere in Chicago! If you come there, you may be sure in 1907 there will be held one of the most extensive conventions, probably, that we have ever had—and that is not speaking in disparagement of those which have preceded it. It is the custom for the selected orator to speak mainly on hospitality. I approach that subject with fear and trembling. The hospitality which we have received in the past from the cities which have entertained us, winding up now with Baltimore, has been, I think it is safe to say, a sort of crescendo approaching a climax, and the man who would undertake to say that he could add anything to the hospitality of those who have gone

before, would have nerve enough to add to a Sonata, or retouch a Michael Angelo. I certainly won't attempt it, gentlemen, but if you have any questions about hospitality, we will just say this: You come to Chicago; we won't try to be imitators—although we have been getting points for a great many years—but we will open for you the Chicago brand of hospitality, and when you get through we believe you will say, "We are glad we came; it was good to be here." Come to Chicago! (Applause.)

W. P. Peter, of Dallas—Gentlemen, we are the newest in the field, and it is our desire to ask you to come to our great commonwealth, whose people know no defeat. If they start into this battle, you will find them—the last one of them—dead, before they quit! Mr. McAdow has told you about the packing parlors in Chicago. His parlors have to come to our great State in order to get enough to keep them running, and we, too, could show you a few, just outside the city of Dallas. We are six times as big as Ohio, five times as big as Pennsylvania; in fact you could drop in most of this country and not find it. Nevertheless, gentlemen, since our hustling city by the side of the Lake is so anxious, and there seems to be some sympathy that way, I am happy to second the nomination of Chicago on behalf of the Dallas Association and Texas.

Mr. Peter then sent to the desk, and had read by Secretary Meek, the following communications:

Resolution adopted by the Dallas Association of Credit Men:

WHEREAS, The National Association of Credit Men meet in Baltimore June 13th, 14th and 15th, in Annual Convention, and this Association being entitled to representation; therefore, be it

Resolved, That the Executive Committee appoint a delegate and instruct him to invite the next National Convention to convene in Dallas, the Queen City of the Southwest; and, invite the co-operation of other local State Associations and our commercial bodies to exert their influence toward the accomplishment of this resolution.

S. J. HAY, *President*.

Attest: W. P. PETER, *Secretary*.

Organized 1892.

THE DALLAS COMMERCIAL CLUB.

DALLAS, TEXAS, June 1, 1906.

W. P. Peter, *Secretary, Dallas Credit Men's Association, Dallas, Texas:*

DEAR SIR—You are hereby appointed the Envoy of the Dallas Commercial Club to secure for Dallas in 1907 the Convention of the National Association of Credit Men, with positive instructions to deliver the goods and land the Convention for Dallas.

The hospitality of Dallas is proverbial, and should this body of representative business men honor our city by selecting it for 1907, you may promise them that every effort of the Dallas Commercial Club, and as well, every citizen of Dallas, will be bent toward making their stay memorably pleasant and enjoyable. We feel that it would be mutually profitable for the National Credit Men to become intimately acquainted with the most rapidly growing city of America.

Yours very truly,

THE DALLAS COMMERCIAL CLUB.

MIKE H. THOMAS, *President*.

VERNON BEGGS, *Acting Secretary*.

Seal of the
Dallas Commercial Club
Impressed.

Geo. Guckenberger, of Cincinnati—Mr. President and Gentlemen:
Ohio sends greetings. Orators are only born in the South and in Chicago.
So if you will please pardon me—a man who has to say “yes” or “no”
on most occasions—I will read a short paper:

The sun never shone on a land more fair
Than beautiful, peerless Ohio.
There's life in a kiss of her rarefied air.
Ohio! prolific Ohio!

Her sons are valiant and noble and bright,
Her beautiful daughters are just about right!
And her babies—God bless them, are clear out of sight;
That crop never fails in Ohio!

Our homes are alight with a halo of love,
Ohio! contented Ohio!
We bask in the smiles of the heavens above,
No clouds ever darken Ohio!

Our grain waves its billows of gold in the sun—
The fruits of our orchards are equalled by none,
And our pumpkins, some of them weigh most a ton,
We challenge the world in Ohio!

But, my friends, I desire to call your particular attention to Southwestern Ohio; there, where the beautiful river of the same name floweth in its mighty splendor, transporting in its course products and manufactures of the East, of the West, of the North and of the South, as well as those of the Ohio Valley, to the markets of the world. I need not tell you that I refer to my own city of Cincinnati. I need not explain to you wherein her reputation lies and upon what high standard it is established. You know all this. Merely to refresh your memories; permit me, if you please, to say to you that Cincinnati has the largest cooperage works in the world; in value, the largest tobacco market; the largest iron and pipe factory in the country; the most breweries, which of course make the best beer; the largest buggy and carriage producing market in the world. It makes more playing cards and labels than any other city in the world. It makes more fire-proof safes than any other city in the country. It has the largest Zoo and more inclined planes than any other city in the United States. It has the largest tannery under one roof, the largest wood-working establishment, the largest regalia establishment and the largest soap factory in the world. It is situated on a river, whose tonnage is greater than that of any other river of equal length in the United States. It is the only city in America owning its own railroad, and, with the possible exception of Philadelphia, there is no other city where so many citizens own their own homes. In our modesty we must admit that the credit of the city of Cincinnati is second to none. I do not ask you to assume as true all I tell you or to take for granted the good others are saying for us. I would rather have you come and see for yourselves and be convinced of the true merit and credit of Cincinnati and of her institutions and of her establishments. I know it is no easy task even to maintain the high standard set by the Convention cities of this Association. The Association I represent feels confident that it can readily maintain and fulfill the requirements with especial credit to itself and with a very general credit to the National Association.

The Cincinnati Credit Men's Association have, therefore, requested

me to extend to this Association a most cordial invitation to hold its next Convention in the Queen City of the West. (Applause.)

Howard Marshall, of New York—The city of Chicago has been in the public eye for some little time. There are some investigations going on there which may last perhaps a year. New York thinks that it might be well if the Credit Men went to Chicago and investigated for themselves all the great things that Chicago holds out to us. New York very heartily seconds the selection of the city of Chicago.

W. C. Mushet, of Los Angeles—Does Los Angeles want the Convention? Well, I guess! Los Angeles always wants the Convention. You declined to send the Convention to Los Angeles when we met in New York, and also when we met in Memphis, and if you decline to-day she will come up again next year; she is coming up again and again until she gets there, even though it takes twenty years to get it! (Applause.)

In inviting the Convention to Los Angeles I want to make one or two little statements. First, I want to correct a wrong impression that seems to have gone abroad in regard to the extent of the earthquake. I have heard it said, or intimated, that Los Angeles was in the earthquake belt. We don't know what earthquakes are in Los Angeles.

I want to tell you one or two facts about the growth of the city. In the year 1890 when the census was taken the official count was 50,000; in 1900, ten years later, the population was 103,000. In percentage increase it led the world. People said, "You have done it once, you can't do it again; you have doubled, you have jumped from 50,000 to 103,000 but you can't do it again." Listen—this is 1906; six years have elapsed; and the population to-day, or rather before the earthquake in San Francisco, was 235,000 people—(applause)—and I am credibly informed, although we don't want to grow that way, that since the earthquake the population is at least 50,000 more. I believe that in the year 1910 we shall have a population of anywhere from 350,000 to 400,000 people.

The objection has been raised against coming to California that it takes a great deal of time. Gentlemen, when you come, come with the understanding that you are going to combine business with pleasure. You need to visit your trade relations on the Pacific Coast; make that the occasion. Chicago is a large city, but there are other large things besides Chicago. Texas is a large State; that is West of Chicago. And you will find that the hospitality of Los Angeles is also large, and that is West of Chicago.

Gentlemen, while I make this appeal for Los Angeles, and while it is a strange thing to do—but I am going to do it—I am going to second, on behalf of Los Angeles, the selection of Chicago, with the understanding that in the future you come to see us. (Applause.)

J. A. McKee, of Philadelphia—On behalf of the Philadelphia delegation it affords me extreme pleasure to second the nomination of Chicago for the Convention city. It is a great city, and it is a city that is well provided with hotels to house all of the guests that may go there, even if ten conventions went there.

E. A. Young, of St. Paul—Every one knows of Chicago. It would be surprising if they didn't have the President or Vice-President, or want the Convention. I think we ought to give them one chance, if they believe they can do a little better on everything than any other place in the world, and therefore I would like to say to them, "Beat Baltimore if you can." (Applause.) On behalf of Minneapolis, Duluth and St. Paul I desire to second the selection of Chicago as the next place of holding the Convention.

G. H. Graves, of Boston—Boston heartily seconds the selection of Chicago for the next Convention.

Delegate from Grand Rapids—I agree with the gentleman from Los Angeles that that town is five hundred miles outside of the earthquake belt. In addition to that I also agree with him that it is three thousand miles from anywhere else, and on behalf of the Grand Rapids delegation I wish to second the selection of Chicago as the proper place to hold the Convention.

J. H. Kentnor, of St. Louis—St. Louis, as you know, is looked upon by Chicago people as at the other end of the world, and that St. Louis has been placed upon the map within the last four or five months. The railroads that enter East St. Louis are now getting into St. Louis, and while Chicago has heard and felt St. Louis many times in the past, she will hear and feel her more in the future. St. Louis, however, has nothing against Chicago, and is willing to do for her sister city what she can, and St. Louis is very glad to second the selection of Chicago as the location of the next Convention. (Applause.)

Charles Hoofnagel, of Norfolk—Mr. President and Gentlemen of the Convention: Everything seems to be going to Chicago, but I am going to bring in a dark horse. I have the honor of representing a little town—maybe not so little—which possibly has never been mentioned in this Convention, in regard to the meeting next year. We have not in our town a big chain of establishments like Chicago, but we have and want to exhibit something even a little bit more interesting than that. We have not in our town the large quantity of White Rock that you have in Baltimore, but we have a great, great quantity of brine. I speak of the city of Norfolk. Our Association is weak, and we are not able to extend to you an invitation or to promise you the large amount of hospitality you have received at Baltimore, but we are to have, next year, in the city of Norfolk the "Jamestown Exposition," and we believe that we can show you there more in the way of attractions than you will find anywhere else in the United States of America in 1907. This Centennial Exposition is to celebrate the first settlement in the United States. From that settlement grew, first, Virginia, then the neighboring settlements, and finally our whole Union. This Exposition is to be historical and educational, and will show the history of this country from the time of its settlement to the present day. Numbers of battles were fought in this neighborhood in the civil war and in the revolutionary war. We are near Yorktown, we are near Germantown, we are near Petersburg, where the great battles were fought in the civil war; Yorktown, where Cornwallis surrendered to Washington. We have at Annapolis one of the greatest naval yards in the world; at Newport News one of the greatest shipping industries—we have everything in that line. We expect to have a naval display of the entire world, and to give you something new and novel that you never saw before, and possibly may never see again. The invitation that I extend to you does not come altogether from the Credit Men's Association, but I am the representative of a committee formed from seventeen different business organizations of our city, of which organization I have the honor of being secretary, and through them I am instructed to invite this Association to meet in Norfolk in 1907, and to say that it will see that they are properly entertained. (Applause.)

Mr. Hoofnagel then sent to the desk, and had read by Secretary Meek, the following communications:

JAMESTOWN EXPOSITION COMPANY.

Incorporated March 10, 1902.

1607-1907.

NORFOLK, VA., May 22, 1906.

To the President and Members of the National Association of Credit Men:

GENTLEMEN: On behalf of the Jamestown Exposition Company, I desire to extend to the National Association of Credit Men a cordial invitation to hold the annual meeting of the Association for 1907 in the city of Norfolk.

In that year a great international naval, military, historical and industrial exposition will be held on and near the waters of Hampton Roads, Virginia, within twenty minutes' ride of the cities of Norfolk, Portsmouth, Newport News, Hampton and Old Point Comfort, in commemoration of the three-hundredth anniversary of the first permanent English settlement in America, at Jamestown, Virginia, in 1607.

This section is the most historic on the American continent. During ordinary times the vicinity bordering on Hampton Roads possesses attractions to warrant its selection as a meeting place, while during the Exposition period its natural advantages will be augmented by many other attractions.

The Jamestown Ter-Centennial Exposition will differ from other expositions, inasmuch as it will have a distinctive naval feature in a great international naval rendezvous, for which invitations have already been extended by the President of the United States to the nations of the world. The military and historical features will also make it very different from previous expositions.

The Exposition Management will be prepared to furnish your Association with a commodious and satisfactory hall in which to hold its meetings, and if desired, recognize the presence of the National Association of Credit Men by setting apart a special day in honor of the occasion.

Respectfully,

C. BROOK JOHNSTON,
Chairman, Board of Governors.

NORFOLK, VA., May 24, 1906.

CHARLES E. MEEK, *Secretary*, New York City, N. Y.

DEAR SIR: We enclose herewith invitation signed by the Chairman of Board of Governors to the National Association of Credit Men to hold the annual convention at this point during the progress of the Exposition in 1907. May we not ask that you secure the presentation of this invitation for the consideration of its officers and members of the convention to be held in Baltimore, June 15th, 1906.

The Jamestown Exposition will, perhaps by reason of its great natural advantages, afford a greater opportunity for the presentation by organized bodies, than has been heretofore extended. Under personal cover we are sending you literature that will in a measure inform you of the plan and scope of our great Exposition. We venture to say that with concerted action of your membership and the co-operation of this department, a programme can be prepared which will be accorded one of the greatest events in the annals of your association.

Any suggestions along this line will receive our most earnest consideration.

Yours very truly,

B. H. SEXTON, Chief,
Department Congresses and Special Events.

A. H. Burt, of Buffalo—Chicago has been knocking at the Association's door for several years. It has been practically understood, as I supposed, that there would be no question, or no opposition, this year to the claims of Chicago. It is nice to see others here asking the Convention to go to their city, but I believe that Chicago has the call. I believe she deserves it. I do not think it would be fair for us to ask them at this time to sidestep again. She has sidestepped twice. Three times and she will be out! Let us send it to Chicago. I therefore move you that the choice of Chicago as the meeting place of our next Convention in 1907 be made unanimous. (Applause.)

Motion seconded.

Chairman Tregoe—We have invitations from several cities. We will not take time to read these letters unless you want them read. But the Secretary will announce from whom these invitations have been received.

Secretary Meek—There is an invitation from the Hotel Victory, at Put-In-Bay, Lake Erie, Ohio. There is also an invitation from Mayor Cutler of Niagara Falls, and also from the Bureau of Publicity of that city.

F. H. McAdow, of Chicago—I ask a personal question. Before this vote is taken we would like to have it understood that Chicago is extending this invitation with the understanding that the month of June is the Convention month. I am not sure whether action is to be taken or not.

Max Silberberg, of Cincinnati—Mr. President—

Chairman Tregoe—Are you going to speak on the motion of Mr. Burt, the motion last before us?

Mr. Silberberg—No, sir. I wish to make an announcement with reference to the Convention being held at Cincinnati.

Point of order raised.

Chairman Tregoe—Unless the Convention permits you, we will have to go on with the motion, which is the one offered by Mr. Burt that the invitation received from Chicago be accepted and made unanimous. What is your pleasure, gentlemen, in this regard?

Calls for the question.

Max Silberberg—I only wished to say a few words—

Chairman Tregoe—Mr. Silberberg, pardon me, it is out of order.

Mr. Silberberg—I second Chicago as the place for holding the next Convention. I would like to explain why I do so, but as I am out of order, I will second the nomination of Chicago.

Chairman Tregoe—I wish to explain to Mr. Silberberg that the Chair did not intend to be at all arbitrary, but understood that he was going to speak on the invitation from Cincinnati. All who favor the acceptance of the invitation extended by Chicago, according to the intent of Mr. Burt's motion, will please rise. All who are opposed will please rise. The Chair declares Chicago the meeting place of the next Convention. (Applause.) Gentlemen, I hope you will not leave, because the Committee on Resolutions will report in a few minutes.

J. W. Spangler, of Seattle—I came all the way across the continent to have an opportunity of inviting this Convention to Seattle in 1909. It seems like a long time ahead—

Chairman Tregoe—I must declare you out of order, because we have passed over that; unless the Convention wishes, through its unanimous vote, to listen. The Chair suggests that the gentleman be heard. Do you agree with the Chair?

Permission given to Mr. Spangler.

Mr. Spangler—You are very kind, and I appreciate it. It is a source

of very keen regret that I did not get here earlier. I started from Seattle on the 6th of this month. I have been nine days and nine nights on the train, except one hour in Chicago. I am sure that the Convention has lost nothing by reason of my absence, but it would have robbed me of the pleasure of inviting you to Seattle in 1909, except for your kindness. As I started to say, it is a long way off, but by the time the date arrives I am sure Seattle will have gained sufficient prominence to have you in the Northwest, and when I say Northwest I wish to be understood as including Oregon, Washington and Idaho, and small portions of Montana and Wyoming, the only country that has never known any other ruler than the United States. (Applause.) Within that district there is now less than 3,000,000 of people, and you can place the entire New England States, now supporting 30,000,000 of people, in that territory. We have grown—our friend Mr. Mushet has mentioned the marvelous growth of Los Angeles—we have also grown. We attribute our growth particularly to our resources, while we have reason to believe that the growth of Los Angeles is in a measure due to the beautiful climate. The resources of the Northwest are such that by 1909 you men who are extending credit will want to know the character of the country by actual contact. I hope that you will come to Seattle in 1909. I wish to say that in that year we will hold an Alaska-Yukon Exposition, at which it is contemplated to show the merits of that district as well as the Northwest. (Applause.)

Chairman Tregoe—The Chair must express its regret in behalf of the Association that our friend from the Pacific Coast has been so long delayed, and I am quite sure it would have been a pleasure for us to have had him with us on this occasion, and I will speak especially for my associates in Baltimore. We are sorry we can only make the invitation a matter of record. Now, if you would like to take up this invitation we would be very glad to hear a resolution. Let us express our sincere thanks for the invitation, and when 1908 rolls around in the course of the history of this body, if the invitation is placed before us, I am quite sure the delegates then in convention assembled will be most happy to consider it.

Max Silberberg, of Cincinnati—This invitation was for 1909.

Chairman Tregoe—I understood that, Mr. Silberberg, and I have asked him to refer it to the Convention of 1908.

Chairman Tregoe—The next order of business is the selection of the location of the Central Office.

J. A. McKee, of Philadelphia—I move that the location of the National Headquarters be left to the incoming Board of Directors. I think that will facilitate matters. Every place will have due investigation, and we don't know the affiliations of the members of the Board. I believe it is the sense of this Convention that they will do the proper thing for the National Association of Credit Men. Therefore, I move that it be left to their selection.

A. H. Foote, of St. Louis—I would like the privilege of the floor, please:

Mr. President and Gentlemen: We have all at one time or another noted the seriousness of children standing before the shop windows, "choosing" the cakes or toys within. Men, too, have their dreams. The St. Louis delegation, so to speak, has been looking into the shop window in Baltimore, and got its eye on a pie labelled "Central Office," only to find itself confronted by a plate glass of considerable thickness. That plate glass seems to have been made in the East. St. Louis wants that pie, believing it to be one full of nourishment, and more than ordinarily digestible, hence not harmful, but it is willing to chance it,

even if it should temporarily cause a pain on the East Side, but let it be understood first of all that it wants harmony. St. Louis has always stood, and now does stand, for that which is good for the whole body, but, to be serious, representatives of the East say they doubt if it is possible to move the office from New York. Just what is meant by this should be fully explained in this Convention.

If it is not possible to move the Central Office from New York, why do we vote on it every year? If it is impossible, it would seem that something is wrong with our Constitution. This is a National body, and it should be governed not by a section, not by a few, but by the members. I have had, perhaps, an unusual opportunity to observe some of the innermost workings of our organization, and I am not willing to believe that there is an inclination on the part of your officers to control matters, or to in any way handle the affairs of the Association, so that the best good may not come to all alike. I believe—I know—we have had most excellent, trustworthy officers, men of good judgment, sincere, and working for the good of all; yet it has been frequently intimated that there is a tendency to favor one section as against another. Even if these intimations are unfounded, it may become possible in the future, if the utmost caution is not observed. We are about to appoint a committee to revise and improve our Constitution and By-Laws. I feel sure that our President will appoint on that committee, men who will see to it that no loophole will be left, which may in the future cause dissension. Let us stand together, let our cause be uppermost, let us be loyal to that cause, loyal to our officers, that they will have every incentive to guide the association affairs so that no charge of unfairness will be made or any sectional feeling arise.

It is perhaps well that this matter of changing the location of the central office has come up just at a time when we contemplate a change in our Constitution and By-Laws and are to consider a question of voting by proxy. Our Association is still in its infancy, and the record it is to make will be of far more importance to the commercial world, than the record already made, valuable as it has been.

It is also well to seriously consider whether, or not, a more central location, now, or at some time in the near future, is not advisable, and for the good of the largest number. If to-day, or in the future, it is considered for the best interests of all that the central office shall be removed to a more central location, then St. Louis asks consideration. The St. Louis delegation did not propose this move from any selfish motive, but believing that a more central location is the best, that it will save time, labor and money for the National body, that it will facilitate its work, that it will strengthen it, and that the wisdom of such a change will be seen in due time.

E. H. McAdow, of Chicago—On behalf of the Chicago delegation I second the motion that we leave this to the incoming Board of Directors.

Chairman Tregoe—Are you ready for the question?

Calls for question.

Chairman Tregoe—All in favor will say aye; opposed, no. The motion is carried. I take pleasure now, gentlemen, in introducing to you the Chairman of the Committee on Resolutions, Mr. W. A. Given, of Pittsburgh.

A. H. Kaiser, of New Orleans—I rise to a point of personal privilege. I would very much like to introduce a resolution, and I would like to read it to the Convention.

Chairman Tregoe—Is there any objection?

Kenneth Taylor, of Cleveland—I think we all recognize that the

hour is becoming late, and unless this matter is of very great importance I would suggest that the Chair proceed with the order of business.

A. H. Kaiser—It is subject to the pleasure of the gentlemen present. It is certainly of vital interest to the Convention.

Chairman Tregoe—I would like to know if the resolution has not been passed upon?

Mr. Kaiser—It is a question of personal privilege, and I think I enjoy that privilege.

Chairman Tregoe—I shall have to leave it to the discretion of the Convention. All those in favor of the reception of this resolution will say aye; opposed, no. It is no, Mr. Kaiser.

W. A. Given, of Pittsburgh—*Mr. President and Gentlemen:* Your Committee on Resolutions brings before you the following:

Resolved, That in conformity with the recommendation of our President, Article 7 of the Constitution be amended so as to provide that after the year 1907, the time and place of holding the annual convention shall be decided upon by the Board of Directors.

Moved and seconded that the resolution be adopted.

Chairman Tregoe—All who favor the adoption of the resolution as read will say aye; opposed, no. The resolution is unanimously adopted.

Mr. Given read the next resolution, as follows:

Resolved, That a committee of five, appointed by the President, shall consider a revision of our Constitution and recommend to the 1907 Convention any changes which may be desirable.

Chairman Tregoe—You have heard the resolution. What is your pleasure.

Moved by David S. Ludlum, of Philadelphia, that the resolution be adopted.

Seconded.

Chairman Tregoe—All who favor the adoption of the resolution will say aye; opposed, no. The resolution is unanimously adopted.

Mr. Given then read the following resolution:

Resolved, That the Committee on Credit Co-operation be authorized and directed to formulate a simple plan for exchange of credit references, and, by correspondence, endeavor to secure its adoption by the various branches of the National Association of Credit Men throughout the country.

Moved by J. H. Kentnor, of St. Louis, that the resolution be adopted.

Seconded.

Chairman Tregoe—Are you ready for the question? All in favor of the adoption of the resolution will say aye; opposed, no. It is unanimously adopted.

Mr. Given then read the following resolution:

Resolved, That the National Association of Credit Men await with interest the report of the Los Angeles Association of Credit Men on the result of the investigation of the adjustment of fire losses in San Francisco, with names of companies which have, in their opinion, made equitable adjustments;

Resolved, That the results as announced be published in the BULLETIN.

Motion to adopt made by Geo. H. Graves, of Boston.

Seconded.

Chairman Tregoe—Are you ready for the question? All in favor say aye; opposed, no. The resolution is unanimously adopted.

Mr. Given then read the following resolution:

WHEREAS, The development of commerce has necessitated simple, yet comprehensive methods in accounts and office machinery; and

WHEREAS, The methods now generally in vogue are the result of many years of gradual development by practical experience and interchange of ideas; and

WHEREAS, Without doubt there are used in certain establishments short and labor saving methods unknown to others, knowledge of which would benefit not alone the experienced, but be of incalculable advantage to the younger element of credit men; and

WHEREAS, Such information is eagerly sought and would not only prove a strong incentive to large and well attended meetings, but in a great measure unify and standardize the machinery of the Credit Department; therefore be it

Resolved, That greater consideration be paid to that clause of our Article of Association relating to methods, to the end that each local Association be requested to encourage regular discussion, during the ensuing fiscal year, of the most approved methods in handling papers, securing and tabulating information, watching maturing and matured accounts, making collections and such other questions as may be pertinent; that each local association, through its Methods Committee, forward such articles as may be prepared, to the Methods Committee of the National Association for their consideration.

Motion to adopt made by A. H. Burt, of Buffalo.

Seconded.

Chairman Tregoe—All those who favor the adoption of the resolution will say aye; opposed, no. The resolution is carried unanimously.

Mr. Given then read the following resolution:

WHEREAS, The members of the National Association of Credit Men, its officers, delegates and visitors in attendance at its Eleventh Annual Convention have listened with pleasure and benefit to the able addresses delivered by Hon. Swagar Sherley, of Kentucky; L. D. Vogel, of St. Louis; H. W. Crabbs, of Buffalo; and Clayton F. Shoemaker, of Philadelphia; therefore, be it

Resolved, That we extend to these gentlemen our thanks for their courtesy in addressing us, and shall earnestly seek to profit by their words of wisdom and counsel.

Moved by R. Ruthenburg that the resolution be adopted by a rising vote of thanks.

Seconded by F. H. Randel, of Cleveland.

Resolution adopted by a rising vote, unanimously.

Next resolution read by Mr. Given, as follows:

Resolved, That the thanks of this Convention are due and the same are hereby most cordially extended to our President, Vice-President, Secretary-Treasurer, Board of Directors, the Chairmen and Members of the Committees on Legislation, Membership, Business Literature, Mercantile Agency Service, Credit Department Methods, Credit Co-operation, Fire Insurance, Adjustment Bureaus and Investigation and Prosecution, for the able and conscientious manner and self-sacrificing spirit with which they have performed the duties imposed upon them, and that their zeal and fidelity are recognized and fully appreciated.

Moved by R. Ruthenburg that the resolution be adopted.

Seconded by J. W. Spangler, of Seattle.

Chairman Tregoe—All in favor of the adoption of the resolution will say aye; opposed, no. The resolution is unanimously carried.

The next resolution read by Mr. Given was as follows:

WHEREAS, Recognizing the press as the foremost educator of the masses, and as a great factor in the commercial world; therefore, be it

Resolved, That the National Association of Credit Men in Eleventh Annual Convention assembled extend to the trade reviews and the press in general its thanks for the space accorded to the work of the Association during the past year; and we tender our grateful appreciation to the daily papers of Baltimore for the prominence they have given us in their columns during our session in their city and for the complete and accurate reports they have published concerning our deliberations.

Moved by A. J. Gahr, of Cleveland, that the resolution be adopted.
Seconded.

Chairman Tregoe—All those who favor the adoption of the resolution will say aye; opposed, no. The resolution is unanimously adopted. The next resolution read by Mr. Given was as follows:

WHEREAS, The National Association of Credit Men at its Eleventh Annual Convention has been the recipient of a cordial, generous and unbounded entertainment at the hands of the Baltimore Credit Men's Association; and

WHEREAS, Every requisite for our comfort and convenience has been provided in detail by the officers and various committees of the Baltimore Association having the matter in charge; therefore, be it

Resolved, That the National Association of Credit Men hereby tenders to the Baltimore Association of Credit Men, its officers, committees and the people of Baltimore generally, its full appreciation of their liberality and its sincere thanks for their splendid and lavish hospitality.

Moved that the resolution be adopted by a rising vote.
Seconded.

Chairman Tregoe—All who favor the adoption of the resolution will please rise.

(Resolution adopted unanimously, amid great applause and three cheers for Baltimore.)

The next resolution read by Mr. Given was as follows:

WHEREAS, The social enjoyments experienced at this Convention have been due in a large measure to the gracious presence with us of many of the wives and daughters of our members; and

WHEREAS, The Ladies' Auxiliary of the Baltimore Credit Men's Association generously planned and carried to a happy conclusion a splendid and charming program for their entertainment; therefore, be it

Resolved, That we have been specially favored in having with us on this occasion so many ladies who have graced the Convention with their presence, and we cordially invite them to come again; and

Resolved, That in their behalf we hereby tender to the Ladies' Auxiliary a rising vote of thanks for their kind consideration and bountiful hospitality.

Moved by David S. Ludlum that the resolution be adopted.
Seconded.

Resolution adopted by a raising vote, amid applause.

W. A. Given—Mr. President and Gentlemen, the Committee on Resolutions has no further resolutions for consideration.

Chairman Tregoe—Gentlemen, that finishes our business. I guess you would like to hear now, something that has never happened before in the history of the organization that I can recall, and that is that the result of the election of Directors can be announced before the session

closes. The tellers have done their work well. We thank them. The Secretary will now announce the result of the election.

Secretary Meek—The result of the election is:

Frank M. Gettys, of Louisville, 566 votes;
George G. Ford, of Rochester, 526 votes;
A. P. Foute, of Fort Worth, 496 votes;
Lee M. Hutchins, of Grand Rapids, 493 votes.

(Cheers and great applause.)

Chairman Tregoe—The Chair declares the gentlemen elected Directors for a term of three years each. I want now to introduce to you the newly elected officers. Is Mr. E. A. Young in the room? If not, I will ask, then, that the two old warhorses of our Association, the men who have grown gray in the service and in the harness, Mr. Daniel B. Murphy, of Rochester, and Mr. George H. Graves, of Boston, proceed to find the President and bring him here, and I will ask them not to hurry, because we have a notice or two to read. Now proceed to find the President—in Room 10, under the bed, I guess! (Laughter and applause.)

Secretary Meek—A telegram:

CHAS. E. MEEK, *Secretary-Treasurer, National Association of Credit Men.*

Am exceedingly sorry not to be able to attend Convention and Banquet. Had made all my arrangements to be with you, but the illness of two of the officers of our bank prevents my being present.

J. G. CANNON,

Vice-President Fourth National Bank.

Dated New York, June 15th.

A. J. Gaehr, of Cleveland—I desire to move that the Secretary be instructed to send word of greeting to Mr. Cannon.

Seconded by E. F. Sheffey, of Lynchburg.

Unanimously carried.

Chairman Tregoe—The Secretary will attend to that.

Secretary Meek—The Committee on Audit reports that it has certified to the statement made by the Treasurer. I have been requested to re-announce that immediately upon the adjournment David S. Ludlum, of the Adjustment Bureau Committee, wishes to meet those who have been delegated to attend a meeting for the purpose of discussing Adjustment Bureau matters. Others who are interested in that subject are also invited to be present. Mr. Ludlum wishes me to say that the meeting will be in this room.

Chairman Tregoe—I want to say, gentlemen, on behalf of our Banquet Committee, that it wants every one to attend the banquet to-night. We understand that some did not come with their dress suits and that they might feel just a little hesitancy about attending on that account; but the affair is to be informal, so far as that is concerned, and you would pain them, as you would pain me, if for any reason beyond the fact that you are physically incapacitated, and I know none here who are, should you fail to be present. Let me say in conclusion that it has afforded us great pleasure to have you with us. It has not been a matter of work—it has been a matter of pleasure on the part of these men; they love this Association, and I want to say that a great many of them have fallen in love with you. (Great applause and three cheers for Baltimore.)

President Fessenden escorted to the platform by Mr. Murphy and Mr. Graves.

Chairman Tregoe—I do not know in the history of this organization

when a man should feel a greater consciousness of confidence and trust reposed in him than to receive from this body as at present constituted the office of its Chief Executive, and I am certain from the expressions that we have heard that this confidence in our President-elect is absolutely sincere. We know the responsibilities that devolve upon the executive office as this body is now constituted, with its great power and influence, and that in your hands the direction of the office is perfectly safe. (Great applause and three cheers.)

President Fessenden—Fellow members, a year ago you conferred upon me a great honor—you chose me your President. This year you have conferred upon me a far greater honor by re-electing me to that office. From the bottom of my heart I thank you for this signal mark of your confidence. Believing, as I do, in deeds and not words, I will only add that I shall endeavor to perform the duties of the office so that you will have no regret for your action of to-day. Again, and again, and most sincerely, I thank you. (Great applause.)

President Fessenden—The Chair will appoint a committee to escort the Vice-President-elect to the platform. I will appoint Mr. McAdow, of Chicago, Mr. Burt, of Buffalo, and Mr. McWhorter, of Nashville, as that committee.

(Vice-President Robbins escorted to the platform by the committee.)

President Fessenden—Gentlemen, I have the great honor of presenting to you your Vice-President, Mr. Thomas P. Robbins, of Cleveland.

(Three cheers given for the Vice-President.)

Vice-President Robbins—Mr. President and Gentlemen of the Convention: I do not suppose that you realize my feelings. It is a great honor to represent so influential a body in the capacity that I have been chosen. It is somewhat embarrassing to me—a plain credit man—but I am very appreciative of that great honor. The election has come to me in such a warm and hearty way that it adds to my feeling of duty that I pledge myself to undertake. I wish to thank you very kindly. I will do the best I can, and a year from now perhaps you can judge the rest. I thank you again. (Great applause.)

Secretary Meek—The President wishes me to say to the Board of Directors, or to the Directors who are in attendance, that he would like them to gather at Room 12, second floor, immediately upon adjournment.

Motion to adjourn made by F. H. Randel, of Cleveland, duly seconded and carried.

Thereupon, President Fessenden declared the Convention adjourned *sine die*.

SUMMARY OF REGISTRATION.

Delegates present	258
Individual members present	62
Individual members represented by proxy.....	356
Delegates represented by proxy.....	28
Alternates and visitors present.....	137
Ladies present	134
 Total	 975

REPORT OF THE COMMITTEE ON CREDENTIALS.

To the Officers and Members of the National Association of Credit Men:

Gentlemen—The following is the complete Roster of the Delegates from local associations and individual members of the National Association of Credit Men in attendance upon the Eleventh Annual Convention held in Baltimore, Md., June 13, 14 and 15, 1906. Also a list of the Delegates and Individual Members who were represented by proxy:

DELEGATES REPRESENTING LOCAL ASSOCIATIONS.

Atlanta, Ga.—J. W. Harlan, D. H. Kirkland, Wilmer L. Moore, E. L. Rhodes, R. H. White.

Baltimore, Md.—Richard T. Baden, W. K. Bartlett, S. D. Buck, M. F. Burgess, W. J. Carter, E. A. Davis, J. Ross Diggs, J. Albert Hughes, F. J. La Motte, C. W. Linthicum, A. L. Rosenaur, Samuel Rosenthal, J. R. Thompson, Thomas Todd, J. Harry Tregoe.

Birmingham, Ala.—H. M. Beck, H. W. Coffin, R. A. Porter.

Boston, Mass.—Charles H. Arnold, Charles L. Bird, A. E. Clark, Geo. H. Graves, E. W. Harding, Fred. L. Howard, Henry W. Patterson.

Buffalo, N. Y.—A. H. Burt, H. W. Crabbs, W. M. Edwards, A. J. Hoefner, W. A. Joyce, Frank Sibley, Chas. F. Smith.

Chicago, Ill.—A. W. Becker, B. E. Borges, T. L. Dodd, E. A. Erickson, Henry Fornoff, H. Hartmann, Geo. C. Hicks, Geo. H. Hovey, W. P. Johnson, W. J. Lipsey, F. H. McAdow, E. A. Pettibone, Fred. A. Smith, Henry T. Smith, Thos. I. Stacey, L. S. Tiffany, William M. Turner, R. S. White, S. J. Whitlock.

Cincinnati, Ohio.—George Guckenberger, W. B. Johnston, Wm. H. Muench, W. E. North, S. G. Rosson, Max Silberberg, Robert McFarland Smith.

Cleveland, Ohio.—C. R. Doty, A. J. Gaehr, Milton Hartmann, W. F. Lyon, W. H. Marshall, Harry New, W. M. Pattison, J. B. Pearce, Fred. E. Pile, L. E. Ralston, Frank A. Randel, W. F. Rice, Thos. P. Robbins, Floyd D. Shook, Kenneth R. Taylor, B. F. Wade.

Columbus, Ohio.—J. W. Dages, E. S. Durham, F. E. Huggins, Everett K. Morris, H. M. Powell, B. G. Watson.

Dallas, Texas.—W. P. Peter.

Denver, Colo.—Charles Bayley, R. E. Dreyer, Karl K. Mayer, B. W. Osborn.

Des Moines, Iowa.—D. M. Douglass.

Detroit, Mich.—John Ballantyne, Edward Bland, Walter S. Campbell, Geo. A. Corwin, A. E. Kiefer, Chas. B. Sawyer, Chas. A. Simon, Geo. R. Treble.

Fort Worth, Texas.—A. P. Foute.

Grand Rapids, Mich.—R. J. Cleland, Frank S. Coleman, H. C. Cornelius, Lee M. Hutchins, F. H. Locke, A. B. Merritt, S. W. Sherman, L. J. Stevenson.

Jacksonville, Fla.—R. V. Covington.

Kansas City, Mo.—E. L. McClure, D. B. McCoy, H. C. Nelson, John L. Powell, Sam H. Smith.

Lincoln, Neb.—M. Weil.

Los Angeles, Cal.—Wm. C. Mushet.

Louisville, Ky.—W. P. Breuer, F. R. Hubert, J. M. Owen, R. Ruthenburg, J. H. Scales.

Lynchburg, Va.—John C. Dabney, N. B. Handy, Edw. F. Sheffey.

Memphis, Tenn.—S. N. Castle, J. A. Ely, Edw. S. Elliott, H. J. Forsdick, J. A. Humphrey, Wm. Orgill.

Milwaukee, Wis.—H. M. Battin, Harry L. Eisen, Evan H. Jones, Wm. Lane, Oscar Loeffler, W. B. Strong, W. W. Wallis.

Minneapolis, Minn.—J. H. Hiscock, W. S. Hughes, W. B. Jordan, Jr., Fred. R. Salisbury, S. L. Sewall, Frank H. Suffel.

Nashville, Tenn.—R. P. Crockett, E. V. Harris, H. L. Lipscomb, J. L. McWhorter, J. H. Orr, H. L. Sperry, Geo. M. Thomas.

New Orleans, La.—John J. Egloff, A. H. Kaiser.

New York, N. Y.—W. S. Armstrong, M. E. Bannin, T. H. Bartindale, Chas. Briggs, F. K. Dolbeer, I. E. Edgar, W. E. Edmondson, Frank S. Flagg, Malcolm Graham, Jr., J. D. Hopkins, Jr., E. E. Huber, Hugo Kanzler, C. E. Latimer, W. W. Lester, Geo. B. McGinnis, T. J. McGuire, Howard Marshall, R. P. Messiter, Geo. O'Neill, Wm. A. Prendergast, W. E. Purdy, H. J. Sayers, G. Walso Smith, A. H. Watson.

Norfolk, Va.—C. L. Conradt, Chas. Hoofnagle, C. L. Wichard.

Philadelphia, Pa.—Frank S. Evans, C. J. Fleck, Louis Fleisher, Henry Freund, Herman O. Hark, F. G. Helmbold, Chas. D. Joyce, G. L. Levi, David S. Ludlum, J. A. McKee, A. W. Pickford, Chas. G. Rapp, C. F. Shoemaker, J. Samuel Stephenson, F. D. Sweeten, Clarence M. Thomas, Chas. H. Wolf.

Pittsburgh, Pa.—W. H. Cochrane, T. K. Cree, Jr., A. R. Darragh, D. C. Herbster, H. J. Herron, S. C. Knode, Cyrus Lewis, James E. Porter, Geo. E. Reynolds, George W. Ryan, A. H. Schewe, Thomas H. Sheppard, Hamilton Stewart.

Richmond, Va.—John Landstreet, Jno. B. Metzger, Geo. L. Pender, Thos. D. Stokes, Leon Wallerstein.

Rochester, N. Y.—C. A. Bradt, W. T. Connor, Geo. G. Ford, J. H. Lempert, Daniel B. Murphy, Philip Present, Lee Richmond, Edw. Weter, I. A. Wile.

St. Joseph, Mo.—C. S. Dickey, S. W. Hundley, B. C. Pinger, C. W. Sponsler.

St. Louis, Mo.—L. A. Anderson, David Davis, E. H. Donk, A. H. Foote, G. H. Fox, B. F. Goodwin, Wm. H. Grimes, J. H. Kentnor, Geo. B. Miller, Geo. E. Pringle, F. W. Risque, Chas. C. Robertson, Geo. H. Sheble.

St. Paul, Minn.—H. R. Curtis, S. O. Greer, C. P. Howes, C. D. McLaren, D. L. Sawyer.

Savannah, Ga.—Jacob Gazan, Oscar Kulman.

Seattle, Wash.—J. W. Spangler.

Spokane, Wash.—L. W. Worthing.

Toledo, Ohio.—A. A. Hall, Lawrence Raab.

Troy, N. Y.—F. E. Howe.

Wichita, Kansas.—Geo. T. Nally, W. A. Story, O. P. Taylor.

Youngstown, Ohio.—S. D. Currier, W. L. Dales, F. G. King.

INDIVIDUAL MEMBERS PRESENT.

Bancroft, E.....Webb & Crawford Co.....Athens, Ga.
Bannin, M. E.....Converse, Stanton & Co.....New York, N. Y.
Bartel, F. J.....A. H. Bartel Co.....Richmond, Ind.
Beatty, E. L.....Beatty Felting Co.....Mishawaka, Ind.
Belden, F. H., Jr.....Thompson & Beldon.....New Haven, Conn.
Bentley, Frank.....Bentley-Gray D. G. Co.....Tampa, Fla.
Bergman, L. John.....Pass & Seymour, Inc.....Solvay, N. Y.
Biggs, Chas.New York, N. Y.
Bittner, Frank D.....Bittner, Hunsicker & Co.....Allentown, Pa.
Borges, B. E.....The Sherwin Williams Co.....Chicago, Ill.

Bradd, C. A.....Rochester Stamping Co.....Rochester, N. Y.
 Bull, Clarence E.....Woodhull, Goodale & Bull....Syracuse, N. Y.
 Cartwright, F. T.....Crystal Glass Co.....Bridgeport, Ohio.
 Choate, H. E.....Michael Bros. Co.....Athens, Ga.
 Coleman, S. H.....F. B. Thomas & Co.....Roanoke, Va.
 Crane, Frederic P.....The Whitehead & Hoag Co.....Newark, N. J.
 Dages, J. W.....Dages, Andrews & Co.....Columbus, Ohio.
 Day, Frank T.....Havens & Geddes Co.....Indianapolis, Ind.
 Edwards, W. M.....Pratt & Letchworth Co.....Buffalo, N. Y.
 Evans, Frank S.....Strawbridge & Clothier.....Philadelphia, Pa.
 Fessenden, O. G.....Hayden W. Wheeler Co.....New York, N. Y.
 Foote, A. H.....St. Louis Credit Men's Asso....St. Louis, Mo.
 Ford, Geo. G.....Lewis P. Ross.....Rochester, N. Y.
 Frank, B.....Steiner, Lobman & Frank...Montgomery, Ala.
 Freese, Frank E.....U. S. Glass Co.....Pittsburgh, Pa.
 Freund, Henry.....Wm. H. Horstmann Co.....Philadelphia, Pa.
 Given, W. A.....Pittsburgh D. G. Co.....Pittsburgh, Pa.
 Hill, G. Brown.....Doubleday-Hill El. Co.....Pittsburgh, Pa.
 Hopple, W. A.....The John Shillito Co.....Cincinnati, Ohio.
 Hughes, J. Albert....Daniel Miller & Co.....Baltimore, Md.
 Humrichouse, G. W...Danville Wholesale Gro. Co.....Danville, Ill.
 Kanzler, Hugo.....Muser Bros.....New York, N. Y.
 Koblegard, P. H.....The Koblegard Co.....Clarksburg, W. Va.
 Leatherbury, G. P....The Leatherbury Shoe Co., Clarksburg, W. Va.
 Lester, W. W.....The Crofut & Knapp Co...So. Norwalk, Conn.
 Levi, G. L.....Samuel Sternberger & Co...Philadelphia, Pa.
 Linthicum, Chas. W...Reynolds, Davis & Co.....Ft. Smith, Ark.
 Lowe, Frank E.....C. H. McClung & Co.....Knoxville, Tenn.
 Ludlum, D. S.....Philadelphia National Bank..Philadelphia, Pa.
 McKee, J. A.....Merchant & Evans Co.....Philadelphia, Pa.
 Maclaren, C. D.....Farwell, Ozmun, Kirk & Co...St. Paul, Minn.
 Messiter, Richard P...Minot, Hooper & Co.....New York, N. Y.
 Murphy, Daniel B....Burke, Fitz Simons, Hone & Co., Rochester, N. Y.
 Piekenbrock, F. J....E. B. Piekenbrock & Sons...Dubuque, Iowa.
 Potter, G. C.....Hutchens & Potter.....Johnstown, N. Y.
 Powell, W. L.....Harrisburg Gro. & Prod. Co...Harrisburg, Pa.
 Prendergast, Wm. A...Lands Company of Depew...New York, N. Y.
 Pulfer, Geo. B.....Ideal Concrete Machinery Co., South Bend, Ind.
 Rapp, Chas. G.....Young, Smyth, Field & Co...Philadelphia, Pa.
 Rosenaur, A. L.....Baltimore Bargain House....Baltimore, Md.
 Rosenthal, Samuel....Strouse & Bros.....Baltimore, Md.
 Salisbury, Fred. R....Salisbury & Satterlee Co., Minneapolis, Minn.
 Scott, G. G.....Southern Pants Co.....Charlotte, N. C.
 Shoemaker, C. F.....Shoemaker & Busch.....Philadelphia, Pa.
 Slade, Howard.....Westcott, Slade & Balcom Co., Providence, R. I.
 Smith, Henry T.....Bradner, Smith & Co.....Chicago, Ill.
 Snow, H. F.....Snow & Bryan.....Tampa, Fla.
 Sweeten, F. D.....Vallee Bros. El. Co.....Philadelphia, Pa.
 Thompson, J. R.....Johnson, Boyd & Co.....Baltimore, Md.
 Tregoe, J. Harry....John A. Carroll Shoe Co.....Baltimore, Md.
 Watson, A. H.....Watson, Porter, Giles & Co...New York, N. Y.
 Young, E. A.....Finch, Young & McConville...St. Paul, Minn.

INDIVIDUAL MEMBERS REPRESENTED BY PROXIES.

Ripon Knitting Works, Ripon, Wis.....R. D. Barney
 Joannes Bros. Co., Green Bay, Wis.....H. M. Battin

The John Hoberg Co., Green Bay, Wis.....H. M. Battin
 The First National Bank, Janesville, Wis....H. M. Battin
 Janesville Barb Wire Co., Janesville, Wis.....H. M. Battin
 Janesville Clothing Co., Janesville, Wis.....H. M. Battin
 Lewis Knitting Co., Janesville, Wis.....H. M. Battin
 Advance Bedding Co., La Crosse, Wis.....H. M. Battin
 J. J. Hogan, La Crosse, Wis.....H. M. Battin
 La Crosse Boot and Shoe Co., La Crosse, Wis..H. M. Battin
 La Crosse Knitting Works, La Crosse, Wis....H. M. Battin
 La Crosse Plow Co., La Crosse, Wis.....H. M. Battin
 Martin Bros. Co., La Crosse, Wis.....H. M. Battin
 C. & J. Michael Brewing Co., La Crosse, Wis..H. M. Battin
 Pamperin & Wiggenhorn Cigar Co., La Crosse..H. M. Battin
 W. A. Roosevelt & Co., La Crosse, Wis.....H. M. Battin
 Spence, McCord Drug Co., La Crosse, Wis....H. M. Battin
 Fuller & Johnson Mfg. Co., Madison, Wis....H. M. Battin
 Techemeyer Candy Co., Madison, Wis.....H. M. Battin
 Manitowoc Aluminum Novelty Co., Manitowoc, H. M. Battin
 Plumb & Nelson Co., Manitowoc, Wis.....H. M. Battin
 Smalley Mfg. Co., Manitowoc, Wis.....H. M. Battin
 First National Bank, Marinette, Wis.....H. M. Battin
 Lauerman Bros. Co., Marinette, Wis.....H. M. Battin
 Fox River Valley Knitting Co., Menasha, Wis..H. M. Battin
 Gilbert Paper Co., Menasha, Wis.....H. M. Battin
 Menasha Woodenware Co., Menasha, Wis....H. M. Battin
 Geo. A. Whiting, Menasha, Wis.....H. M. Battin
 Geuder & Paeschke Mfg. Co., Milwaukee, Wis..H. M. Battin
 National Exchange Bank, Milwaukee, Wis....H. M. Battin
 Estate Benj. Young, Milwaukee, Wis.....H. M. Battin
 First National Bank, Milwaukee, Wis.....H. M. Battin
 Smith, Thorndike & Brown Co., Milwaukee, Wis.H. M. Battin
 Bergstrom Paper Co., Neenah, Wis.....H. M. Battin
 Kimberly & Clark Co., Neenah, Wis.....H. M. Battin
 German National Bank, Oshkosh, Wis.....H. M. Battin
 Old National Bank, Oshkosh, Wis.....H. M. Battin
 The Oshkosh Trunk Co., Oshkosh, Wis.....H. M. Battin
 Bemis-Hooper-Hays Co., Oshkosh, Wis.....H. M. Battin
 Chas. Alshuler Mfg. Co., Racine, Wis.....H. M. Battin
 J. I. Case Threshing Machine Co., Racine, Wis..H. M. Battin
 Hilker-Wiechers Mfg. Co., Racine, Wis.....H. M. Battin
 The J. Miller Co., Racine, Wis.....H. M. Battin
 Racine Sattley Co., Racine, Wis.....H. M. Battin
 Badger State Tanning Co., Sheboygan, Wis...H. M. Battin
 J. M. Kohler Sons Co., Sheboygan, Wis.....H. M. Battin
 Sheboygan Chair Co., Sheboygan, Wis.....H. M. Battin
 Jacob J. Vollrath Mfg. Co., Sheboygan, Wis...H. M. Battin
 Crocker Chair Co., Sheboygan, Wis.....H. M. Battin
 The Stephenson National Bank, Marinette, Wis..H. M. Battin
 Two Rivers Woodenware Co., Two Rivers, Wis..H. M. Battin
 Wm. C. Weaver, Denver, Colo.....Chas. Bayley
 F. F. Struby, Denver, Colo.....Chas. Bayley
 C. F. Freeland, Denver, Colo.....Chas. Bayley
 Fred. W. Standart, Denver, Colo.....Chas. Bayley
 Thomas Keely, Denver, Colo.....Chas. Bayley
 W. A. Hoover, Denver, Colo.....Chas. Bayley
 C. A. Loring, Mishawaka, Ind.....Emmett L. Beatty

Geo. J. Sadler, Syracuse, N. Y.....	L. John Bergman
Oscar T. Erickson, Boston, Mass.....	Chas. L. Bird
C. H. Leland, Boston, Mass.....	Chas. L. Bird
Geo. A. Ricker, Boston, Mass.....	Chas. L. Bird
J. W. Sturtevant, Boston, Mass.....	Chas. L. Bird
H. P. Ballard, Boston, Mass.....	Chas. L. Bird
Geo. S. Taylor, Chicopee Falls, Mass.....	Chas. L. Bird
J. H. Page, Chicopee Falls, Mass.....	Chas. L. Bird
H. G. Fisk, Chicopee Falls, Mass.....	Chas. L. Bird
J. E. Kelley, Fitchburg, Mass.....	Chas. L. Bird
G. B. Holbrook, Holyoke, Mass.....	Chas. L. Bird
F. D. Heywood, Holyoke, Mass.....	Chas. L. Bird
M. F. Donovan, Lynn, Mass.....	Chas. L. Bird
W. H. Eaton, Pittsfield, Mass.....	Chas. L. Bird
A. H. Rice, Pittsfield, Mass.....	Chas. L. Bird
F. E. Dunton, Spencer, Mass.....	Chas. L. Bird
C. B. Whitney, Springfield, Mass.....	Chas. L. Bird
W. H. Wesson, Springfield, Mass.....	Chas. L. Bird
Chas. A. Bemis, Springfield, Mass.....	Chas. L. Bird
W. P. Porter, Springfield, Mass.....	Chas. L. Bird
Louis S. Foulkes, Rochester, N. Y.....	C. S. Bradt
Will L. Rodgers, Cleveland, Tenn.....	S. N. Castle
Arnold Grocer Co., Athens, Ga.....	H. E. Choate
Wisconsin Tissue Paper Co., Appleton, Wis...	Sanford Cohen
L. J. Cooper, Tampa, Fla.....	R. V. Covington
Henry L. Kehrl, Newark, N. J.	F. P. Crane
W. B. Maddock, Trenton, N. J.....	F. P. Crane
C. A. Dunkelberg, Ft. Wayne, Ind.....	Frank T. Day
E. J. Fisher, Ft. Wayne, Ind.....	Frank T. Day
D. C. Davis, Ft. Wayne, Ind.....	Frank T. Day
Jules C. Simon, Ft. Wayne, Ind.....	Frank T. Day
Thos. Lau, Ft. Wayne, Ind.....	Frank T. Day
Robt. Millard, Ft. Wayne, Ind.....	Frank T. Day
E. T. Yarnelle, Ft. Wayne, Ind.....	Frank T. Day
M. B. Singleton, Ft. Wayne, Ind.....	Frank T. Day
C. T. Pidgeon, Ft. Wayne, Ind.....	Frank T. Day
Theo. G. Seemeyer, Ft. Wayne, Ind.....	Frank T. Day
Edward Helmcke, Ft. Wayne, Ind.....	Frank T. Day
Peter Nutz, Jr., Indianapolis, Ind.....	Frank T. Day
Wm. E. Sommer, Indianapolis, Ind.....	Frank T. Day
W. F. Kuhn, Indianapolis, Ind.....	Frank T. Day
Chas. D. Pearson, Indianapolis, Ind.....	Frank T. Day
F. H. Bruhn, Indianapolis, Ind.....	Frank T. Day
Wm. J. Griffin, Indianapolis, Ind.....	Frank T. Day
J. W. Ellison, Indianapolis, Ind.....	Frank T. Day
Wm. Scott, Indianapolis, Ind.....	Frank T. Day
Gordon B. Tanner, Indianapolis, Ind.....	Frank T. Day
Wm. J. Taylor, Indianapolis, Ind.....	Frank T. Day
A. B. Caldwell, Indianapolis, Ind.....	Frank T. Day
Geo. Vonnegut, Indianapolis, Ind.....	Frank T. Day
C. S. Dearborn, Indianapolis, Ind.....	Frank T. Day
Chas. Fearnought, Indianapolis, Ind.....	Frank T. Day
L. R. Kahn, Indianapolis, Ind.....	Frank T. Day
V. C. Kendow, Indianapolis, Ind.....	Frank T. Day
J. E. Reagan, Indianapolis, Ind.....	Frank T. Day
F. J. Brinkmeyer, Indianapolis, Ind.....	Frank T. Day

G. G. Allen, Indianapolis, Ind.....	Frank T. Day
M. P. Fisher, Indianapolis, Ind.....	Frank T. Day
A. C. Moore, Indianapolis, Ind.....	Frank T. Day
John F. Carmody, Indianapolis, Ind.....	Frank T. Day
J. G. Ohleyer, Indianapolis, Ind.....	Frank T. Day
J. H. Emrich, Indianapolis, Ind.....	Frank T. Day
W. H. Cook, Indianapolis, Ind.....	Frank T. Day
F. B. Brown, Indianapolis, Ind.....	Frank T. Day
E. H. Shedd, Indianapolis, Ind.....	Frank T. Day
T. R. Baker, Indianapolis, Ind.....	Frank T. Day
S. S. Yeoman, Indianapolis, Ind.....	Frank T. Day
Geo. Alig, Indianapolis, Ind.....	Frank T. Day
Wm. H. Elvin, Indianapolis, Ind.....	Frank T. Day
E. A. Hendrickson, Indianapolis, Ind.....	Frank T. Day
J. F. Kassebaum, Indianapolis, Ind.....	Frank T. Day
J. E. Stiltz, Indianapolis, Ind.....	Frank T. Day
Robert Kipp, Indianapolis, Ind.....	Frank T. Day
L. E. Kemberlin, Indianapolis, Ind.....	Frank T. Day
Wm. Kothe, Indianapolis, Ind.....	Frank T. Day
H. C. Ryker, Indianapolis, Ind.....	Frank T. Day
P. H. Clifford, Indianapolis, Ind.....	Frank T. Day
J. K. Lilly, Indianapolis, Ind.....	Frank T. Day
J. G. Mueller, Indianapolis, Ind.....	Frank T. Day
C. C. Hanch, Indianapolis, Ind.....	Frank T. Day
G. A. Efroymsen, Indianapolis, Ind.....	Frank T. Day
Jos. J. Rumely, La Porte, Ind.....	Frank T. Day
Emil Froeb, Terre Haute, Ind.....	Frank T. Day
Adolph Neukom, Terre Haute, Ind.....	Frank T. Day
Landauer & Co., Milwaukee, Wis.....	H. L. Eisen
C. H. Newhall, Chicago, Ill.....	Edward A. Erickson
M. A. Potter, Indianapolis, Ind.....	Reuben B. Esten
Thomas Stinson, Philadelphia, Pa.....	F. S. Evans
Lewis W. Klahr, Philadelphia, Pa.....	F. S. Evans
J. A. Eberts, Bethlehem, Pa.....	F. S. Evans
Joseph S. Potter, Philadelphia, Pa.....	F. S. Evans
Wm. F. Crome, Clinton, Mo.....	A. H. Foote
J. P. Leggett, Carthage, Mo.....	A. H. Foote
F. G. Writer, Joplin, Mo.....	A. H. Foote
L. D. Vogel, St. Louis, Mo.....	A. H. Foote
F. J. Langenburg, St. Louis, Mo.....	A. H. Foote
Geo. R. Barclay, St. Louis, Mo.....	A. H. Foote
John Bremond, Austin, Texas.....	A. P. Foute
A. J. Eilers, Austin, Texas.....	A. P. Foute
Jake Wolff, San Antonio, Texas.....	A. P. Foute
G. A. C. Halff, San Antonio, Texas.....	A. P. Foute
H. P. Goodman, San Antonio, Texas.....	A. P. Foute
Jno. H. Bond, San Antonio, Texas.....	A. P. Foute
S. B. Weller, San Antonio, Texas.....	A. P. Foute
Chas. Graebner, San Antonio, Texas.....	A. P. Foute
I. Seibel, San Antonio, Texas.....	A. P. Foute
A. H. Halff, San Antonio, Texas.....	A. P. Foute
C. H. Cox, Waco, Texas.....	A. P. Foute
M. M. Walten, Waco, Texas.....	A. P. Foute
F. W. Lake, Waco, Texas.....	A. P. Foute
V. R. Baker, Weatherford, Texas.....	A. P. Foute
D. D. Fairchild, Waco, Texas.....	A. P. Foute

M. L. Greil, Montgomery, Ala.....	Bernard Frank
Robt. S. Teague, Montgomery, Ala.....	Bernard Frank
A. Weil, Montgomery, Ala.....	Bernard Frank
W. E. Pitts, Montgomery, Ala.....	Bernard Frank
G. W. Barnett, Montgomery, Ala.....	Bernard Frank
R. C. Kirk, Steubenville, Ohio.....	A. J. Gaehr
Gale B. Smith, Owensboro, Ky.....	F. M. Gettys
Omar Dodson, Maysville, Ky.....	F. M. Gettys
J. M. Walton, Paducah, Ky.....	F. M. Gettys
Lawrence Dallam, Paducah, Ky.....	F. M. Gettys
Saml. J. Levy, Paducah, Ky.....	F. M. Gettys
L. M. Rieke, Paducah, Ky.....	F. M. Gettys
R. D. Norwood, Lexington, Ky.....	F. M. Gettys
Jos. Le Compte, Lexington, Ky.....	F. M. Gettys
E. B. Tilford, Litchfield, Ky.....	F. M. Gettys
D. S. E. Parthemore, Harrisburg, Pa.....	W. A. Given
W. B. Long, Lancaster, Pa.....	W. A. Given
Marcus M. Marks, New York, N. Y.....	Malcolm Graham, Jr.
Chas. E. Hessian, Cairo, Ill.....	John Griggs
E. L. Wedeles, Chicago, Ill.....	John Griggs
G. P. Millard, Peoria, Ill.....	John Griggs
F. E. Smith, Peoria, Ill.....	John Griggs
G. H. Schimpff, Peoria, Ill.....	John Griggs
C. E. Wheelock, Peoria, Ill.....	John Griggs
W. A. Brolin, Rockford, Ill.....	John Griggs
I. S. White, Rock Island, Ill.....	John Griggs
Morley & Murphy Hdw. Co. Green Bay, Wis..	Wm. I. Lane
W. Drescher, Rochester, N. Y.....	J. H. Lempert
Rudolph, Stein, Rochester, N. Y.....	J. H. Lempert
J. F. Hoyt, Rochester, N. Y.....	J. H. Lempert
Jas. Farley, Rochester, N. Y.....	J. H. Lempert
P. V. Crittenden, Rochester, N. Y.....	J. H. Lempert
Chas. F. Brooker, Ansonia, Conn.....	W. W. Lester
John S. Fray, Bridgeport, Conn.....	W. W. Lester
W. C. Bryant, Bridgeport, Conn.....	W. W. Lester
Geo. E. Melius, Bridgeport, Conn.....	W. W. Lester
Guy Miller, Bridgeport, Conn.....	W. W. Lester
A. H. Bullard, Bridgeport, Conn.....	W. W. Lester
Chas. F. Towner, Bridgeport, Conn.....	W. W. Lester
H. R. Parrott, Bridgeport, Conn.....	W. W. Lester
William S. Ingraham, Bridgeport, Conn.....	W. W. Lester
H. McLachlan, Danbury, Conn.....	W. W. Lester
F. A. Knapp, Danbury, Conn.....	W. W. Lester
Lee Hat Mfg. Co., Danbury, Conn.....	W. W. Lester
Chas. H. Merritt, Danbury, Conn.....	W. W. Lester
Chas. R. Helin, Danbury, Conn.....	W. W. Lester
S. E. Downes, Danbury, Conn.....	W. W. Lester
W. H. Green, Danbury, Conn.....	W. W. Lester
W. E. Mallory, Danbury, Conn.....	W. W. Lester
D. E. Loewe, Danbury, Conn.....	W. W. Lester
D. H. Miller, Georgetown, Conn.....	W. W. Lester
H. F. Boardman, Hartford, Conn.....	W. W. Lester
Edw. J. Pearson, Hartford, Conn.....	W. W. Lester
William T. Plimpton, Hartford, Conn.....	W. W. Lester
E. H. Stoker, Hartford, Conn.....	W. W. Lester
G. W. Hart, Hartford, Conn.....	W. W. Lester

O. W. Gaines, Meriden, Conn.....	W. W. Lester
J. W. Beacham, Meriden, Conn.....	W. W. Lester
Chas. F. Rockwell, Meriden, Conn.....	W. W. Lester
F. A. Searle, New Britain, Conn.....	W. W. Lester
Chas. B. Stanley, New Britain, Conn.....	W. W. Lester
C. E. Wetmore, New Britain, Conn.....	W. W. Lester
I. D. Russell, New Britain, Conn.....	W. W. Lester
Corbin Screw Corp., New Britain, Conn.....	W. W. Lester
G. E. Hodson, New Haven, Conn.....	W. W. Lester
C. H. Downes, New Haven, Conn.....	W. W. Lester
E. H. Mathewson, South Norwalk, Conn.....	W. W. Lester
Herbert S. Rowland, Waterville, Conn.....	W. W. Lester
C. M. DeMott, Waterbury, Conn.....	W. W. Lester
Newton C. Smith, Waterbury, Conn.....	W. W. Lester
C. B. Dolge, Westport, Conn.....	W. W. Lester
Jas. T. McCarthy, Little Rock, Ark.....	C. W. Linthicum
Dudley E. Jones, Little Rock, Ark.....	C. W. Linthicum
Jas. J. Mandlebaum, Little Rock, Ark.....	C. W. Linthicum
J. B. Sandefur, Little Rock, Ark.....	C. W. Linthicum
Max Mayer, Little Rock, Ark.....	C. W. Linthicum
C. E. Speer, Fort Smith, Ark.....	C. W. Linthicum
J. H. Dunn, Fort Smith, Ark.....	C. W. Linthicum
Geo. C. Kimback, Canton, Ohio.....	W. F. Lyon
E. P. Williams, Cleveland, Ohio.....	W. F. Lyon
Geo. W. Bunn, Springfield, Ill.....	F. H. McAdow
A. Mueller, Decatur, Ill.....	F. H. McAdow
A. J. Murray, Decatur, Ill.....	F. H. McAdow
O. E. Child, Moline, Ill.....	F. H. McAdow
Warren Kinsey, Peoria, Ill.....	F. H. McAdow
Fred. J. Greene, Peoria, Ill.....	F. H. McAdow
John Birks, Peoria, Ill.....	F. H. McAdow
Frank Jack, Peoria, Ill.....	F. H. McAdow
G. F. Carson, Peoria, Ill.....	F. H. McAdow
Jas. L. Scott, Macomb, Ill.....	F. H. McAdow
Rudolph Tenk, Quincy, Ill.....	F. H. McAdow
H. A. Williamson, Quincy, Ill.....	F. H. McAdow
E. B. Hawk, Bloomington, Ill.....	F. H. McAdow
B. F. Harber, Bloomington, Ill.....	F. H. McAdow
W. L. Calkins, Freeport, Ill.....	F. H. McAdow
Edward Taylor, Rockford, Ill.....	F. H. McAdow
J. Edward Strong, Chicago, Ill.....	F. H. McAdow
E. R. Gilmore, Chicago, Ill.....	F. H. McAdow
L. W. French, St. Paul, Minn.....	C. D. McLaren
G. A. Cariveau, St. Paul, Minn.....	C. D. McLaren
Geo. G. Benz, St. Paul, Minn.....	C. D. McLaren
E. H. Bailey, St. Paul, Minn.....	C. D. McLaren
A. P. Warren, St. Paul, Minn.....	C. D. McLaren
G. Sommers, St. Paul, Minn.....	C. D. McLaren
A. Wilkinson, St. Paul, Minn.....	C. D. McLaren
N. Fetter, St. Paul, Minn.....	C. D. McLaren
Roy P. Ingmundson, St. Paul, Minn.....	C. D. McLaren
Thos. E. Ludington, St. Paul, Minn.....	C. D. McLaren
John F. Kelly, St. Paul, Minn.....	C. D. McLaren
Wm. S. Meyer, Portsmouth, Ohio.....	W. H. Marshall
A. E. Pierce, New York, N. Y.....	H. Marshall
J. B. Martindale, New York, N. Y.....	H. Marshall

Theo. M. Brown, New York, N. Y.....	H. Marshall
Albert C. Case, New York, N. Y.....	H. Marshall
Wm. H. Porter, New York, N. Y.....	H. Marshall
Owen Shepherd, New York, N. Y.....	H. Marshall
L. C. Hahn, New York, N. Y.....	H. Marshall
C. A. Braman, New York, N. Y.....	H. Marshall
H. W. McBean, Niagara Falls, N. Y.....	H. Marshall
W. D. Hasbrouck, Poughkeepsie, N. Y.....	H. Marshall
A. H. Dobson, Utica, N. Y.....	H. Marshall
Edward Norris, Utica, N. Y.....	H. Marshall
Geo. A. Frisbie, Utica, N. Y.....	H. Marshall
J. B. Davenport, Augusta, Ga.....	W. L. Moore
J. S. Nixon, Augusta, Ga.....	W. L. Moore
John Phinizy, Augusta, Ga.....	W. L. Moore
J. M. Smith, Augusta, Ga.....	W. L. Moore
W. B. Brigham, Augusta, Ga.....	W. L. Moore
F. A. Reich, Columbus, Ga.....	W. L. Moore
Clarence P. Bush, Columbus, Ga.....	W. L. Moore
C. A. Hatcher, Columbus, Ga.....	W. L. Moore
Stephen Popper, Macon, Ga.....	W. L. Moore
M. Block, Macon, Ga.....	W. L. Moore
C. O. Stone, Macon, Ga.....	W. L. Moore
B. B. Taylor, Macon, Ga.....	W. L. Moore
A. W. Smith, Macon, Ga.....	W. L. Moore
J. Y. Millar, Oakland, Cal.....	W. C. Mushet
T. C. Keller, Cleveland, Ohio.....	Harry New
A. C. Hood, Cleveland, Ohio.....	Harry New
C. W. King, Cleveland, Ohio.....	Harry New
James Reynolds, Mansfield, Ohio.....	Harry New
J. S. Goebel, Marietta, Ohio.....	Harry New
Northern Electrical Mfg. Co., Madison, Wis...	H. Max Oberndorfer
A. M. Nelson, Roanoke, Va.....	Geo. L. Pender
A. V. Lane, Dallas, Texas.....	W. P. Peter
A. C. Buettell, Dubuque, Iowa.....	F. J. Piekenbrock
S. C. Bosnell, Dubuque, Iowa.....	F. J. Piekenbrock
Jos. D. Plaister, Dubuque, Iowa.....	F. J. Piekenbrock
J. M. McDonald, Dubuque, Iowa.....	F. J. Piekenbrock
R. O. Green, Fort Dodge, Iowa.....	F. J. Piekenbrock
D. S. Morrison, Grinnell, Iowa.....	F. J. Piekenbrock
Wm. H. Phillips, East Liverpool, Ohio.....	F. E. Pile
Hanson Furniture Co., Janesville, Wis.....	Wm. F. Rediske
Geo. M. Appel, Portsmouth, Ohio.....	T. P. Robbins
E. J. Bassett, Cleveland, Ohio.....	T. P. Robbins
H. E. Hutchings, St. Paul, Minn.....	D. L. Sawyer
Harry K. Huntoon, Stillwater, Minn.....	D. L. Sawyer
W. D. Willard, Mankato, Minn.....	D. L. Sawyer
E. L. Patterson, Mankato, Minn.....	D. L. Sawyer
J. Norman Wills, Greensboro, N. C.....	G. G. Scott
Edward A. Stevens, Woonsocket, R. I.....	H. R. Slade
E. Sherman, Chicago, Ill.....	H. T. Smith
A. C. Stebbins, Lansing, Mich.....	L. J. Stevenson
Jas. B. Seagle, Lansing, Mich.....	L. J. Stevenson
C. H. Tompkins, Jackson, Mich.....	L. J. Stevenson
G. A. Matthews, Jackson, Mich.....	L. J. Stevenson
Chas. I. Cook, Menominee, Mich.....	L. J. Stevenson
Geo. L. Hastings, Menominee, Mich.....	L. J. Stevenson

F. J. Fox, Saginaw, Mich.....	L. J. Stevenson
E. P. Waldron, Saginaw, Mich.....	L. J. Stevenson
Hamilton Watson, Saginaw, Mich.....	L. J. Stevenson
Chas. H. Smith, Saginaw, Mich.....	L. J. Stevenson
Harry C. Barnes, Saginaw, Mich.....	L. J. Stevenson
Chas. E. Rigley, Owosso, Mich.....	L. J. Stevenson
H. A. Crawford, Kalamazoo, Mich.....	L. J. Stevenson
C. R. Rust, Duluth, Minn.....	F. H. Suffel
W. G. Bolman, Leavenworth, Kansas.....	O. P. Taylor
L. C. Staples, Salina, Kansas.....	O. P. Taylor
A. Cappel, Dayton, Ohio.....	B. G. Watson
J. S. Crowell, Springfield, Ohio.....	B. G. Watson
W. H. Brown, Zanesville, Ohio.....	B. G. Watson
F. C. Eaton, Columbus, Ohio.....	B. G. Watson
J. A. Jeffrey, Columbus, Ohio.....	B. G. Watson
F. H. Knowlton, Fremont, Neb.....	M. Weil
Fox River Paper Co., Appleton, Wis.....	A. P. Wettstein
Batavia National Bank, La Crosse, Wis.....	Ernst Unke

*REGULARLY APPOINTED DELEGATES REPRESENTED IN
THE CONVENTION BY PROXIES.*

W. S. Brown, Des Moines, Iowa.....	D. M. Douglass
L. Harbach, Des Moines, Iowa.....	D. M. Douglass
E. A. Peden, Houston, Texas.....	A. P. Foute
Ira I. Paddock, Ft. Worth, Texas.....	A. P. Foute
Geo. B. Monnig, Ft. Worth, Texas.....	A. P. Foute
O. Mangold, Portland, Ore.....	Geo. M. Healy
L. L. Paget, Portland, Ore.....	Geo. M. Healy
P. DeHaas, Portland, Ore.....	Geo. M. Healy
E. C. Closset, Jr., Portland, Ore.....	Geo. M. Healy
A. H. Devers, Portland, Ore.....	Geo. M. Healy
W. L. Abrams, Portland, Ore.....	Geo. M. Healy
S. J. Kline, Chicago, Ill.....	F. H. McAdow
H. Flatau, Los Angeles, Cal.....	W. C. Mushet
Wm. F. Bosbyshell, Los Angeles, Cal.....	W. C. Mushet
E. J. Levy, Los Angeles, Cal.....	W. C. Mushet
Frank Simpson, Los Angeles, Cal.....	W. C. Mushet
F. A. Grossenbacher, Cleveland, Ohio.....	Harry New
Alfred Dangler, Cleveland, Ohio.....	Harry New
W. D. Jacoway, Denver, Colo.....	B. W. Osborn
C. F. Freeland, Denver, Colo.....	B. W. Osborn
M. C. Flint, Denver, Colo.....	B. W. Osborn
Geo. Brooks, Denver, Colo.....	B. W. Osborn
John Callis, Denver, Colo.....	B. W. Osborn
F. E. Schoelinged, Columbus, Ohio.....	H. M. Powell
D. B. Neil, Columbus, Ohio.....	H. M. Powell
C. A. Rinehart, Pittsburgh, Pa.....	H. O. Sirvan
J. H. Conrades, Jr., St. Louis, Mo.....	Lewis B. Springer
C. C. Aler, Columbus, Ohio.....	B. G. Watson

Respectfully submitted,

KARL K. MAYER,
FRANK SIBLEY,
CHAS. E. MEEK, *Chairman*,

Committee on Credentials.

**Minutes of Meeting of Secretaries of the Affiliated Branches of the
National Association of Credit Men, held in the Hotel
Belvedere, Baltimore, Md., June 15, 1906.**

The following Secretaries were present :

H. C. Cornelius, Grand Rapids, Mich.
S. D. Buck, Baltimore, Md.
John Griggs, Chicago, Ill.
R. Ruthenburg, Louisville, Ky.
A. A. Hall, Toledo, Ohio.
B. G. Watson, Columbus, Ohio.
S. W. Severson, Philadelphia, Pa.
D. M. Douglass, Des Moines, Ia.
W. P. Peter, Dallas, Texas.
H. J. Sayers, New York, N. Y.
Geo. M. Thomas, Nashville, Tenn.
Frank H. Suffel, Minneapolis, Minn.
H. C. Nelson, Kansas City, Mo.
Henry Bentley, Cincinnati, Ohio.
Kenneth R. Taylor, Cleveland, Ohio.
H. A. Burkhardt, Memphis, Tenn.
L. D. Horner, Lynchburg, Va.
Rolland Cleland, Grand Rapids, Mich.
J. H. Orr, Nashville, Tenn.

By unanimous consent, S. D. Buck, of Baltimore, occupied the Chair.

Mr. Buck briefly addressed the meeting, urging the Secretaries and the Associations they represented to advance the interests of the Association, to be on guard against fraudulent people, and to organize Credit Information Bureaus and Adjustment Bureaus in connection with their local work.

R. Ruthenburg, of Louisville, Ky., spoke of his favorable experience along the line of Credit Information Bureaus.

B. G. Watson, of Columbus, Ohio, spoke on the importance of securing a good reliable attorney, with commercial experience, to look after cases. A lengthy and interesting discussion ensued on the subject of the workings of Credit Information Bureaus, terminating in the following resolution, offered by Mr. R. Ruthenburg, of Louisville, Ky.:

WHEREAS, The Secretaries assembled at the Baltimore Convention feel the need of obtaining a National Interchange of Credit Information to supplement that now obtained through local exchange; therefore, be it

Resolved, That the Secretaries here assembled recommend and urge the addition of the names or numbers designating the other bureaus to the names or numbers of their local houses, the charges for service to be adjusted by the Secretaries, subject to the approval of their various directories, the directories to decide with which associations they shall reciprocate and on what basis."

The resolution was seconded by Geo. M. Thomas, of Nashville, Tenn., and unanimously carried.

R. Ruthenburg moved "That these proceedings be inserted in the MONTHLY BULLETIN, and that at the next meeting of each local Association these matters be placed before the various associations for action on them." The motion being seconded, was voted upon and unanimously carried.

Frank H. Suffel, of Minneapolis, Minn., moved "That a copy of these resolutions be forwarded to Chas. E. Meek, Secretary-Treasurer

of the National Association, with request that they be laid before the incoming Committee on Credit Co-operation so that they may be advised of what we have done." A. A. Hall, of Toledo, Ohio, seconded the motion, which was carried unanimously.

Other matters discussed were: Draft Systems, Membership Matters, Monthly Meetings, Interchange of Literature, etc.

The gathering dispersed with the feeling that this, the first regularly called and organized meeting of Secretaries had been beneficial to those attending and would be of direct value in the future to the Associations represented.

KENNETH R. TAYLOR,
Secretary pro tempore.

Directory of Officers of Affiliated Branches of the National Association of Credit Men.

BRANCH ASSOCIATIONS.

ATLANTA, GA.—The Credit Men's Association of Atlanta. President, R. H. White, Everett-Ridley Co.; Secretary, E. L. Rhodes, Ernest L. Rhodes & Co.

BALTIMORE, MD.—The Credit Men's Association of Baltimore. President, A. L. Rosenaur, Baltimore Bargain House; Secretary, S. D. Buck, Maryland National Bank Bldg.

BIRMINGHAM, ALA.—Birmingham Credit Men's Association. President, H. W. Coffin, Moore & Handley Hardware Co.; Secretary, G. B. McVay, Amzi Godden Co.

BOSTON, MASS.—Boston Credit Men's Association. President, John R. Ainsley, John R. Ainsley & Co.; Secretary, Chas. L. Bird, 77 Summer Street.

BUFFALO, N. Y.—Buffalo Credit Men's Association. President, Alfred H. Burt, Burt & Sindele; Secretary, J. J. Dolphin, 187 Hoyt Street.

CHATTANOOGA, TENN.—The Credit Men's Association of Chattanooga. President, A. T. Ham, Miller Bros. Co.

CHICAGO, ILL.—The Chicago Credit Men's Association. President, Wm. J. McMillan, The N. K. Fairbanks Co.; Secretary, John Griggs, 218 LaSalle Street.

CINCINNATI, O.—The Cincinnati Credit Men's Association. President, George Guckenberger, Atlas National Bank; Secretary, Henry Bentley, 1201 Union Trust Bldg.

CLEVELAND, O.—Cleveland Credit Men's Association. President, T. P. Robbins, Cleveland Hdw. Co.; Secretary, Kenneth R. Taylor, 812 Park Bldg.

COLUMBUS, O.—Columbus Credit Men's Association. President, H. M. Powell, The Wolfe Bros. Shoe Co.; Secretary, Benson G. Watson, Union National Bank Bldg.

DALLAS, TEX.—Dallas Association of Credit Men. President, S. J. Hay, Texas Paper Co.; Secretary, W. P. Peter, Emerson Mfg. Co., P. O. Box, 1105.

DENVER, COL.—The Denver Credit Men's Association. President, L. B. Bridaham, Davis-Bridaham Drug Co.; Secretary, I. A. Babcock, Daniels & Fisher Stores Co.; Assistant Secretary, H. A. C. Mathew, Colorado National Bank Building.

DES MOINES, IOWA.—Des Moines Credit Men's Association. President, W. F. Mitchell, Chamberlain Medicine Co.; Secretary, D. M. Douglass, Bentley & Olmsted Co.

DETROIT, MICH.—Detroit Credit Men's Association. President, Chas. B. Sawyer, The Pingree Co.; Secretary, W. S. Campbell, 506 Wayne County Bank Bldg.

DULUTH, MINN.—The Jobbers' Credit Association. (Duluth-Superior.) President, Daniel Waite, Blake & Waite Co.; Secretary, James H. Nolan, Knudson-Ferguson Fruit Co.; Assistant Secretary, F. H. Green, 401 Torrey Bldg.

FORT WORTH, TEX.—Fort Worth Association of Credit Men. President, H. E. Gardner, Carter-Hunt Gro. Co.; Secretary, Geo. Q. McGown, Reynolds Bldg.

GRAND RAPIDS, MICH.—Grand Rapids Credit Men's Association. President, A. B. Merritt, Valley City Milling Co.; Secretary, H. C. Cornelius, Wolverine Brass Works.

HOUSTON, TEX.—Houston Association of Credit Men. President, E. A. Peden, Peden Iron & Steel Co.; Secretary, Sterling Myer, Hunt & Myer.

JACKSONVILLE, FLA.—Jacksonville Credit Men's Association. President, C. W. Bartleson; Secretary, J. W. Clark.

KANSAS CITY, MO.—Kansas City Association of Credit Men. President, Sam H. Smith, Smith-McCord-Townsend D. G. Co.; Secretary, H. C. Nelson, Sherwin-Williams Co.

LINCOLN, NEB.—Lincoln Credit Men's Association. President, M. I. Aitken, Cashier National Bank of Commerce; Secretary, E. G. Evans, Lincoln Hdw. Co.

LOS ANGELES, CAL.—Los Angeles Credit Men's Association. President, G. Witherspoon, R. L. Craig & Co.; Secretary, W. C. Mushet, 323 Bullard Bldg.

LOUISVILLE, KY.—Louisville Credit Men's Association. President, J. H. Scales, The Belknap Hdw. and Mfg. Co.; Secretary, R. Ruthenburg, Mendel, Weinstock & Co.

LYNCHBURG, VA.—Lynchburg Credit Men's Association. President, N. B. Handy, N. B. Handy & Co.; Secretary, R. Winston Harvey, Craddock-Terry Co.

MEMPHIS, TENN.—The Memphis Credit Men's Association. President, H. A. Ramsey, Jr., Stewart Gwynne & Co.; Secretary, H. A. Burkhardt, Credit Clearing House.

MILWAUKEE, WIS.—The Milwaukee Association of Credit Men. President, W. B. Strong, Jerman, Pflueger & Kuehlmsted Co.; Secretary, H. M. Battin, Standard Oil Co.

MINNEAPOLIS, MINN.—Minneapolis Credit Men's Association. President, S. L. Sewall, Minneapolis Iron Store Co.; Secretary, M. C. Badger, Patterson & Stevenson Co.

NASHVILLE, TENN.—Nashville Credit Men's Association. President, E. O. Harris, Harris, Davis & Co.; Secretary, Geo. M. Thomas, American Bldg.; Assistant Secretary, Chas. H. Warwick.

NEW ORLEANS, LA.—New Orleans Credit Men's Association. President, A. H. Kaiser, Picard, Kaiser & Co.; Secretary, T. J. Bartlette, B. J. Wolf & Sons.

NEW YORK, N. Y.—The New York Credit Men's Association. President, Malcolm Graham, Jr., F. O. Pierce Co.; Secretary, H. J. Sayers, 320 Broadway.

NORFOLK, VA.—Norfolk Credit Men's Association. President, Chas. Hoofnagle, The Four Co.; Secretary, C. L. Conradt, Old Dominion Tobacco Co.; Assistant Secretary, H. N. Poulson.

OMAHA, NEB.—The Omaha Association of Credit Men. President, T. W. Austin, American Hand-Sewed Shoe Co.; Secretary, E. G. Jones, Credit Clearing House.

PHILADELPHIA, PA.—The Philadelphia Credit Men's Association. President, Frank S. Evans, Strawbridge & Clothier; Secretary, S. W. Severson, Room 702, No. 1001 Chestnut St.

PITTSBURGH, PA.—Pittsburgh Association of Credit Men. President, W. A. Given, The Pittsburgh Dry Goods Co.; Secretary, W. L. Danahey, 716 Frick Bldg.

PORTLAND, ORE.—Portland Association of Credit Men. President, A. H. Devers, Closset & Devers; Secretary, W. L. Abrams, Allen & Lewis.

RICHMOND, VA.—Richmond Credit Men's Association. President, John Landstreet, R. A. Patterson Tobacco Co.; Secretary, Jo. Lane Stern, 1014 East Main St.

- ROCHESTER, N. Y.**—The Rochester Credit Men's Association. President, J. H. Lempert, Solomon Bros. & Lempert; Secretary, Edward Weter, Yawman & Erbe Mfg. Co.
- ST. JOSEPH, MO.**—St. Joseph Credit Men's Association. President, James E. Cox, R. L. McDonald & Co.; Secretary, P. E. Parrott, Battreall-Whittinghill Shoe Co.; Assistant Secretary, Sidney Beery.
- ST. LOUIS, MO.**—The St. Louis Credit Men's Association. President, J. H. Kentnor, Smith & Davis Mfg. Co.; Secretary, A. H. Foote, Dolph Bldg.
- ST. PAUL, MINN.**—St. Paul Credit Men's Association. President, W. H. Mingaye, T. L. Blood & Co.; Secretary, H. W. Parker, Merchants' National Bank.
- SALT LAKE CITY, UTAH.**—The Utah Association of Credit Men. President, Arthur Parsons. Assistant Secretary and Manager, John Q. Critchlow, P. O. Box, 419.
- SAN DIEGO, CAL.**—The Credit Association of San Diego. President, Simon Levi, 400 Fifth Street; Secretary, Sam Ferry Smith, 841 Fifth Street.
- SAN FRANCISCO, CAL.**—San Francisco Credit Men's Association. President, G. Brenner, Elkus-Brenner Co.; Secretary, Ben Armer, 2707 Sacramento St.
- SAVANNAH, GA.**—Savannah Credit Men's Association. President, W. F. Scherff, S. Guckenheimer's Sons; Secretary, W. J. Donlan, Chamber of Commerce.
- SEATTLE, WASH.**—Seattle Credit Men's Association. President, Geo. F. Telfer, National Grocery Co.; Secretary, Robert R. Fox, Simonds Mfg. Co.
- SIOUX CITY, IA.**—Sioux City Bureau of Credits; President, R. M. Baker, 1437 Douglas St.; Secretary-Treasurer, C. N. Lukes, Security National Bank.
- SIOUX FALLS, S. D.**—Sioux Falls Credit Men's Association. President, J. W. Fenn, Fenn Bros., Inc.; Secretary, R. J. Cone Manchester Biscuit Co.
- SPOKANE, WASH.**—Spokane Jobbers' Association. President, J. M. Comstock, Spokane D. G. Co.; Secretary, J. B. Campbell, 308 Empire State Building.
- TOLEDO, OHIO.**—Toledo Association of Credit Men. President, W. G. Beattie, The J. M. Bour Co.; Secretary, A. A. Hall, L. S. Baumgartner & Co.
- TROY, N. Y.**—Troy Credit Men's Association. President, Hugh Galbraith, The Boutwell Milling & Grain Co.; Secretary, Wm. Colvin, Jr., Josiah Young.
- WHEELING, W. VA.**—The Wheeling Credit Men's Association. President, Chas. W. Franzheim, The Wheeling Potteries Company; Secretary, Samuel W. Harper, Harper & Bro.
- WICHITA, KAN.**—Wichita Credit Men's Association. President, L. B. McCausland, Ross Bros.; Secretary, Willis Davis, Southwestern Drug Co.
- YOUNGSTOWN, O.**—Youngstown Credit Men's Association. President, Thos. J. Milroy, Leavitt-Milroy Co.; Secretary, Charles W. Gilgen, Chamber of Commerce.

List of cities where bureaus for the exchange of credit information or adjustment bureaus are being operated by affiliated branches of the National Association of Credit Men:

Adjustment Bureaus

Atlanta, Ga.	Minneapolis, Minn.
Buffalo, N. Y.	Nashville, Tenn.
Cincinnati, Ohio	Philadelphia, Pa.
Cleveland, Ohio	Pittsburgh, Pa.
Columbus, Ohio	Portland, Oregon
Dallas, Texas	Rochester, N. Y.
Denver, Colo.	Salt Lake City, Utah
Fort Worth, Texas	San Diego, Cal.
Grand Rapids, Mich.	Seattle, Wash.
Kansas City, Mo.	Spokane, Wash.
Los Angeles, Cal.	St. Joseph, Mo.
Memphis, Tenn.	St. Paul, Minn.
Milwaukee, Wis.	Youngstown, Ohio

Bureaus for the Exchange of Credit Information

Baltimore, Md.	Minneapolis, Minn.
Birmingham, Ala.	Nashville, Tenn.
Columbus, Ohio	Norfolk, Va.
Denver, Colo.	Portland, Ore.
Duluth, Minn.	St. Paul, Minn.
Fort Worth, Texas	San Diego, Cal.
Grand Rapids, Mich.	Seattle, Wash.
Jacksonville, Fla.	Sioux City, Iowa
Los Angeles, Cal.	Sioux Falls, S. D.
Louisville, Ky.	Spokane, Wash.
Memphis, Tenn.	Youngstown, Ohio

